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Industrial Traffic Departments

Organization, Management, Systems and Records.

By

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PREFACE

IN addition to the technical knowledge of classifications, tariffs, rates, claims, tracing shipments, special freight service, preparation of, and packing goods for shipment, together with a thorough understanding of the essential and practical principles of handling traffic, the Traffic Manager must have knowledge of the organization, systemization and management of a traffic department for the attainment of maximum efficiency in this line of activity.

The object of this Treatise is to enumerate the principal duties of the Traffic Manager, and in a general way deal with the problems of transportation in so far as the industrial corporation is concerned.

The presentation of claims correctly prepared is advantageous to carrier and shipper alike. Rate and classification adjustments are more easily obtained when the applicant advances sound arguments in which are contained only relevant discussion. To that end the agent of the shipper must have knowledge of the underlying principles of rate and classification construction.

The time is past when ruinously low rates prevailed for the favored few, and gratuitous services for the particular friends of the carriers' agents were the rule. There is now a stability in the cost of all kinds of transportation service,

and the only variation is that resulting from change in commercial conditions. The ethics of the profession contemplate the adjustment of traffic problems by the carriers on merit and with due consideration to the justice of each individual case.

In compiling the data presented in this volume, the writer has enjoyed the assistance, suggestions, and friendly cooperation of those in authority on the various subjects treated, and it is therefore with some degree of assurance that this unit of The Traffic Library is submitted to the indulgent consideration of those interested in the Traffic Profession.

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TABLE OF CONTENTS

Industrial Traffic Departments.

Page

CHAPTER I. The Traffic Manager 2
§ 1. Duties 3
§ 2. Relations to Common Carriers 5
§ 3. Relation to the Sales and Purchasing Departments of Industrial Concerns 10
§ 4. Dealings with Classification and Rate-Making Bodies 12
§ 5. Systemization of Traffic Department 25
(1) Publications 26

CHAPTER II. Tariffs and Rates 31
§ 1. Procuring Tariff and Supplements 38
§ 2. Filing and Indexing 40
§ 3. Card Index Systems of Rates and Classifications 48
§ 4. Competitive Rates 52
§ 5. Comparative Rates 52

CHAPTER III. Shipping Papers and Records 61
§ 1. Shipping Order and Bill of Lading 61
§ 2. Paid Freight Receipt 70
§ 3. Record of Shipments 72
§ 4. Instructions to Shipping Clerks 73

CHAPTER IV. Preparation of Freight for Shipment. 81
§ 1. Classification of Shipments 81
§ 2. Packages (kinds, etc.) 82
§ 3. Relation of Minimum Weights and Lengths of Cars to Ordering Equipment 87

Page
§ 4. Marking of Packages..... 93
§ 5. Different Destinations and Effect Upon Packing and Marking..... 97
§ 6. Weights on Bills of Lading..... 98

CHAPTER V. Routing Shipments.....105
§ 1. Shipper's Right to Route His Shipments as Defined by Law.....105
§ 2. Carloads 111
§ 3. Less Carloads 113
§ 4. Time Charts and Maps.....115

CHAPTER VI. Tracing.....123
§ 1. Records and Forms.....126

CHAPTER VII. Claims.....133
§ 1. Loss and Damage.....141
(1) Papers Necessary 141
(2) Forms 143
§ 2. Over-Charge 147
(1) Papers Necessary 148
(2) Forms 148
(3) System of Tracing and Collecting Claims..152
(4) Record of Claims.....154

CHAPTER VIII. Cost Accounting Systems and Applications to Traffic Departments.....161
§ 1. Freight Charges in Relation to Cost of Merchandise 161
§ 2. Tare Weight a Factor.....161
§ 3. Other Elements of Cost.....163

CHAPTER IX. Switching, Lighterage, Transferring and Cartage, Demurrage.....167
§ 1. Switching 167
§ 2. Lighterage 169

Page
§ 3. Transferring and Cartage....170
§ 4. Demurrage....171

CHAPTER X. Privately Owned Railroad Cars....217
§ 1. Account System....222
§ 2. Mileage Earnings....224

CHAPTER XI. Explosives and Dangerous Articles.231

CHAPTER XII. Exporting and Importing....237
§ 1. Exporting....237
§ 2. Importing....242

CHAPTER XIII. Express and Parcel Post....245

CHAPTER XIV. Preparation of Application for Change in Freight Classification....251
§ 1. Classification....253
§ 2. Preparation of Application for Change in Freight Classification....262
§ 3. State Classification....270
§ 4. When Carload Ratings Should Be Given....271
§ 5. Relation Between Carload and Less-Than-Carload Rates....272

CHAPTER XV. Complaints to the Interstate Commerce Commission....279
§ 1. Formal Complaints....283
§ 2. Informal Complaints....285
§ 3. Procedure Before the Interstate Commerce Commission....287
§ 4. Forms of Complaint and Answer....300

CHAPTER I.

THE TRAFFIC MANAGER.

§ 1. Duties.
§ 2. Relations to Common Carriers.
§ 3. Relations to Sales and Purchasing Departments of Industrial Concerns.
§ 4. Dealings with Classification and Rate-Making Bodies.
§ 5. Systemization of Traffic Department.

CHAPTER I.

THE TRAFFIC MANAGER.

§ 1. Duties.

The duties of the manager of a commercial or industrial transportation department are not by any means confined to the matter of competition between the concern he represents and others in allied trade.

He must be qualified to judge the reasonableness of a freight or express rate without reference to the presence or absence of competitive elements. The industrial traffic department head who endeavors to secure reduction of freight rates indiscriminately, makes a serious mistake and very materially if not wholly reduces his efficiency in his department.

Traffic officials of the carriers are quick to perceive the motive behind a request for reduction of a rate. If reducing the rate means retaining traffic the carrier would otherwise lose, or securing new business which would not otherwise be obtained, the applicant will find the transportation official alert and ready to act in harmony with him in thus meeting the changing commercial conditions and thereby enhancing the public welfare. Traffic officers of the carriers are aggressive to obtain the greatest possible amount of business, but cannot consistently sacrifice their revenue to an unprofitable degree to secure new business; nor can they seek new business at the expense of old established traffic of a more profitable nature.

All information and supposition to the contrary notwithstanding, railroad managers generally speaking, as much as, if not more than, in any other one field of activity, are fair, broad-minded men, who, while not overlooking the fact that their first duty is to their employers, do not lose sight of their obligation to the shipping and traveling public. Conceding this to be so, the industrial representative must bear in mind that his employer's interests will be furthered by his being equally broad-minded and unselfish in his dealings with the carriers as he expects their treatment to be of him.

The inquiry is frequently made, "Does a traffic manager usually have direct charge of the shipping department of an industrial institution?" While it may be that with some concerns, particularly where there is only one shipping point at which the traffic manager's office is located, the traffic manager may be in direct touch with and have immediate supervision over the shipping department, the traffic department of other companies where the office is not located at the factory, or where there are several shipping points, does not concern itself directly with the details of shipping, but instead provides the shipping clerks with packing and marking specifications, routing, classifications, etc. In this way, while having general supervision over all shipping, the traffic manager finds more time to devote to the executive duties of his position.

It would hardly be possible to prescribe set rules for successfully conducting a commercial or industrial traffic department as a part of a large business institution any more than to present a fixed routine for all vice-presidents or other executive officers. There are probably no two traffic departments having exactly the same problems. It is equally safe to say there are presumably no two traffic managers whose ideas and views as to conducting a trans-

portation department would be exactly the same. The different conditions are met by traffic men in the same way that the heads of other departments master the problems relating to their particular duties. The measure of success attained by the traffic manager depends largely upon the ability of the man.

First and foremost he must be thoroughly familiar with the act to regulate commerce and the interpretations of it by the Interstate Commerce Commission and the courts.

As to the routine in a traffic department the writer will endeavor to treat it in a general way in subsequent paragraphs for the benefit of the uninitiated. The suggestions therein contained, however, could not be adapted to all traffic departments, nor does the author recommend them as ideal.

The inquiry has been made countless times by young men entering business, "How long would be required for me to become competent to occupy the position of traffic manager of an industrial company?" Of course, there is no "answer" to that question. There are far too many natural elements of uncertainty in the interrogation itself to permit of a definite reply. The greatest factor of determination is the ability, inherent or acquired, of the individual.

§ 2. Relations to Common Carriers.

The commercial traffic officer's position corresponds to that of general freight agent or traffic manager of a transportation company, but generally speaking could hardly be said to carry with it the varied and vast responsibilities of the head of a railroad, steamship or express traffic department. There is, however, among other things this important difference. The carrier's traffic official must sell his commodity, service, while the industrial official is in

reality the purchasing agent of his company in so far as transportation is concerned. Viewing the respective positions from that angle, they are, of course, diametrically different. The two meet upon common ground, the one to sell his service, the other to purchase this great business controlling necessity, transportation. In many other respects the positions are not altogether dissimilar.

By working in close harmony with the purchasing and sales departments of his company, the industrial traffic manager may be instrumental in opening up new and advantageous sources of supply of raw material and virgin markets for the consumption of the manufactured article.

In addition to securing proper classifications of and rates on the commodities shipped by his company, the commercial traffic man is the medium through which prompt and satisfactory transportation service is secured in handling shipments. Often dispatch and reliability of service is of paramount importance and the ability to obtain superior service is in such cases a valuable asset to the manufacturer. To illustrate: A contracting firm agrees to erect an important building within a stated period of time with a penalty of $500.00 or $1,000.00 per day for each day the building remains uncompleted after the elapse of the prescribed time. A break-down or strike at the steel mill delays shipment of the necessary steel until the contract period becomes perilously shortened. Should the steel be delayed en route the completion of the building would be delayed correspondingly beyond the expiring date of grace and the penalty be exacted. The contractor's traffic man communicates with the proper railroad traffic official, who in turn arranges that the shipment of steel is placed upon a fast train, quick transfer is provided at junctions and the shipment arrives at destination without delay. Without the services of one familiar with such matters the

steel might have moved in a low class or slow train, and no especial effort made by the operating departments of the railroads to transfer the cars without loss of time to a fast train at junctions. A consequent delay of from five to ten days in the arrival of the shipment at destination would have been the inevitable result, with corresponding loss to the contractor. The saving through the expert handling of the consignment is apparent.

Further illustrating the importance of fast transportation service and the desirability therefor: A shipment en route to a declining market, or intended to reach port before the sailing of a steamer upon which the goods are booked. Considering the latter, there is often a considerable lapse of time between steamship departures. Through delay on rail the consignment misses the steamer. There is no subsequent sailing for perhaps thirty days. At the foreign port where transfer to another vessel is necessary the desired connection is again impossible, and the shipment arrives at final destination sixty to ninety days late. The sale of the merchandise is perhaps lost with attendant expense and annoyance to the shipper. His inability to carry out his promised delivery results in the loss of a customer, and to save return freight charges upon the shipment he is obliged to sacrifice it at forced sale. The shipper's alert competitor, on the other hand, perhaps gave due attention to the transportation of his merchandise and his goods arrived on schedule. He found a ready market, and at the same time established his claim for future business. Service in all departments is the great business getter in this day of keen competition and the industrial traffic department is no small factor through its co-operation with the sales force in attracting business.

Adjustment of claims for loss and damage, and overcharge, is an important function in the work of a traffic

department. The freight claim agent of an eastern trunk line recently stated that without further knowledge than that a shipping concern employed a trained traffic man, he could classify that shipper and generally be correct as to whether his claims were usually just or unjust. His statement was intended to convey the meaning that claims without merit, particularly having to do with loss and damage, were often presented against the carriers by shippers, which would not have been presented by a traffic man, until he had studied all the circumstances and assured himself that the responsibility for the loss or damage actually rested with the carrier. Such preliminary investigation very often develops facts entirely clearing the railroad of the apparent responsibility. Unjust or questionable claims are never knowingly presented by a shipper having proper regard for his reputation.

Claims for shortage, especially, should be thoroughly investigated before presentation to the carrier. "A" buys of "B" a carload of salt packed in barrels. "B" loads the shipment direct from his warehouse into a car on his private siding. Bill of lading is issued for one hundred and fifty barrels of salt and the usual statement "shipper's load and count" is inadvertently omitted by carrier's agent. "A's" receiving clerk counts one hundred and forty-five barrels, and upon recounting the same number is returned. "A" presents claim to the railroad company for the missing five barrels. Investigation discloses that the car was sealed on "B's" siding and went through to destination under the original seals which were broken just prior to unloading the car upon "A's" siding. Obviously the shortage occurred through mistake in counting by shipper, and the railroad is in no way blamable, other than for failure to stamp the bill of lading with the customary "shipper's load and count." "A's" claim was, of course, declined

by the railroad and after the delay occasioned by carrier's investigation it became necessary for "A" to withdraw his claim against the carriers and place it with "B," the shipper. This he should and would have done before charging the transportation company with the loss, had he in the beginning taken the simple precaution of ascertaining that the car was not tampered with while in transit.

A traffic manager's experience tells him that it is not always the carrier who is at fault when a shipment does not arrive at destination as billed. He takes the precaution to thoroughly establish his claim against the responsible party before filing claim against the carrier. By reducing the number of improper claims or eliminating them altogether claimants can render great assistance to claim departments as such unjust claims require even more time and effort to investigate than do lawful claims, and the latter suffer in delayed adjustment through inattention. There are few, if any, departments of railroads so overworked as the claim department. Fifteen per cent of the claims presented to carriers are without merit and must be declined. Nothing is gained by claimant in presenting claims of questionable nature. The law would not admit of their payment even were the carrier willing to make settlement for reasons of policy. An industrial traffic manager's reputation with the freight claim agents is usually no better than the character of his claims. If they be in numerous instances of an unfair nature the individual is bound to be regarded accordingly.

Overcharge claims should be most carefully scrutinized before presentation. Rates should be carefully checked with the latest classifications, tariffs and supplements, and due care should be exercised to determine that no subsequent issue has cancelled the tariff upon which the claim is based. The method of assuring oneself of the fact that

a tariff is actually in effect is dealt with in another chapter.

There is said to be over fifteen thousand principles governing traffic. No one man could acquire a thorough knowledge of these principles by experience alone in twenty life times.

§ 3. Relation to the Sales and Purchasing Departments of Industrial Concerns.

To the sales department of a concern manufacturing or dealing in railway supplies, the traffic department is a valuable adjunct. The traffic manager, always in close touch with the railroad officers, has intimate friendly relations with them. Reciprocity is bound to be practiced. The carrier desires the competitive traffic of the manufacturer and the latter craves the railroad company's orders for supplies. They meet on the plane of exchange of favors and each benefits thereby. This should not be and seldom is carried to extreme, but the friendly relationship between the traffic departments of carriers and shippers is a great assistant in extending the use of the shipper's product by the carriers.

In fields where keen competition exists the traffic department can render valuable assistance to the sales force by keeping them thoroughly posted as to rates and privileges enjoyed by competitors. The same might be said with reference to the purchasing department.

Often a new market for the finished product or a new source of supply of raw material is disclosed to a manufacturer through the issuance of commodity rates from or to a competitor's shipping point or place of manufacture. The traffic manager notes that rates are filed with the Interstate Commerce Commission (or with the state railroad commission, if the traffic be intrastate) and transmits the information to the sales or purchasing department.

If the selling organization is affected, the sales manager promptly bids for a share of the new business and the traffic department, acting in co-operation, applies for rates equally advantageous with those issued in favor of his competitor, always taking into consideration relative geographic location and other conditions determining the propriety of the prospective rate.

The same assistance is rendered the purchasing department in obtaining raw material from a new source of supply.

Rates are predicated upon the theory that every circumstance surrounding the transportation of the commodity must be taken into consideration. A rate from north to south may justly be different from one applied to traffic moving from east to west. Shipments moving against the tide of the greatest density of traffic may be fairly charged at different rates from those applied to consignments moving with the bulk of traffic. Numerous other dissimilar conditions, such as water competition, etc., may prevail in determining rates for equal distances. It is not sound reasoning to base an application for the establishment of a new rate, or the reduction of an old rate, upon the earnings of the carriers in mills per ton per mile derived in handling traffic of a similar kind between other points, unless it be that all important conditions are substantially alike in both instances.

When establishing a factory or warehouse in a new locality a traffic department is indispensable in working out the details of rates, classifications and freight service, with reference to the advantageous handling of the resulting new business.

Many concerns place in the hands of the traffic representative all dealings of every nature with the carriers: Leases of railroad lands, location and construction of side

tracks, establishing credit for freight charge bills, etc. For many manufacturers the traffic manager is also fuel purchasing agent. This is chiefly for the reason that the freight charges usually are the most important part of the cost of coal delivered to the consuming point.

The importance of the position of traffic manager of a large commercial organization is, as a matter of fact, usually limited only by the extent of the qualifications of the incumbent of the office. The nature of his work brings him in constant association with all the officials of his company to whom he can, if he has the ability, render such service as to make himself invaluable to his employer.

§ 4. Dealings with Classification and Rate-Making Bodies.

No one informed upon the subject will dispute the statement that classifications and rates are now made by the transportation interests with the desire predominating for justice and fairness to all affected. The shipper of today occupies an enviable position as compared to that he occupied fifteen or even a dozen years ago, when discrimination in various forms, rebates, etc., were more the rule than the exception. Then the word of the railroad traffic manager or general freight agent was practically final and the manufacturer so unfortunate as to have his plant situated at a local point on the railroad managed by officers of autocratic disposition could either abide by their dictates, if possible to continue business and do so, or, if the rates and conditions became unbearably oppressive, move his plant or retire from business. This, while perhaps not typical of the general conditions, is at least descriptive of the situation then prevailing on more than one railroad.

On the other hand, business moving from competitive points fifteen years ago would be most actively sought

after, and the road paying the greatest rebate usually enjoyed the traffic. The lack of stability in rates with the consequent uncertainty of the shipper as to what his competitor might be paying resulted in chaotic conditions, which were unsatisfactory to all. Claims were paid for policy's sake to shippers of competitive freight, and those unable to advance such reasons for adjustment of their claims found them wholly neglected or declined upon some flimsy or other pretext.

Public opinion, with its controlling power, at last asserted itself, and upon the Interstate Commerce Commission, which for years had lacked the regulative jurisdiction to correct existing evils, was conferred the quasi-judicial powers of an administrative tribunal, charged with the administration of an act, the underlying principle of which is that rates and fares shall be just and reasonable and non-discriminatory.

A long step toward friendly relations and co-operation between shipper and carrier has been the formation of traffic clubs in the principal cities of the United States. The Traffic Club of New York, with over twelve hundred members, the Chicago Traffic Club, a close second in membership and having luxurious quarters in one of the city's finest hostelries, and numerous other similar organizations, have all adopted as their purpose: "To cultivate closer relations between those interested in the transportation of freight and passengers as carriers and as shippers, and to promote their mutual interests."

In these clubs competitors mingle as friends and the differences between shipper and carrier disappear in a closer mutual understanding of each other's position, and the cordial good fellowship which prevails. This condition is mutually advantageous and highly preferable to that

of years ago when distrust and antagonism existed between the shipping and carrying interests.

The enactment of the law extending the powers of the Interstate Commerce Commission has had the effect of creating more trouble for the carriers than perhaps is their due. The long-suffering shipper finding that at last there was a remedy for his difficulties became agile to apply for relief in imaginary as well as actual injuries, and in many cases went beyond the limits of reason and fairness in attacking the railroads. This spirit of retaliation has not met with encouragement by the Commission and has been limited to correcting existing evils, as the Interstate Commerce Commission does not lose sight of the fact, to quote Commissioner Clark of that body, that "there are two ends to the beam of the scale of justice or that it is our duty to bear in mind justice to both carriers and patrons of carrier."

It may be said to be usually unwise for the traffic manager to appeal to the Commission until all other reasonable means for adjustment of his troubles have been exhausted, for the simple reason that his friendship and prestige with the carriers is naturally not enhanced by appealing unnecessarily to an arbiter. This is true in the same sense that one would hardly seek the medium of the courts through which to foster friendly relations with one with whom he has business dealings.

The fundamental factor in freight rate making being the freight classification, the industrial traffic man finds himself confronted with the necessity of providing that the commodities in which his concern is interested are not too highly rated in the various classifications.

Each of the three principal freight classifications, viz., the Official, Western and Southern, contains upwards of five thousand items. Would it not indeed be phenomenal

if every commodity therein were given an absolutely just and fair rating, each to all the others compared?

It is most important therefore to study the classifications carefully to determine the reasonableness and fairness of the ratings and regulations covering the articles in which one is interested, as compared to those applying to analogous commodities.

The railroad traffic officials comprising the classification committees and the chairman and officers of these bodies are men of the highest ability, and experts in their line. They are constantly working to correct and adjust inconsistencies and provide against discrimination, but they are to no small extent dependent upon the shipper, and his intimate knowledge relating to his own commodity is well nigh indispensable. Such information as a shipper may furnish these committees should possess the highest degree of accuracy and be complete and unbiased. The reputation for fairness in such matters is one of the greatest assets of an industrial traffic man.

It is the writer's observation and opinion, acquired through dealing with the classification committees during a period of over ten years, that without exception they strive, in making and revising the rules and ratings, to be just to all and show favoritism to no one. It is true that the revenue of the companies employing the members is not lost sight of; if it were it would require but a short time to force at least the weaker carriers into bankruptcy through depleted earnings.

That the trend of ratings is and has always been downward instead of upward no one will deny. Compare the classifications of the committees when they had their origin with the present ratings and the almost general reduction is significant, while the reduction in the ratings has not been offset by increases in class rates. That

part of the shipping public which protests against present "high rates" might find great assurance and comfort by an examination of a tariff of the early days of railroading issued in January, 1836, by Arthur Emmerson, president of the Portsmouth and Roanoke Railroad, which, in addition to ten simple but then doubtless sufficiently effective rules of shipping, etc., provided a "Rate of Transportation" as follows:

"On Goods, Wares and Merchandise, for every 100 lbs., 4 mills per mile."

"On Lumber, continued to the end of the road, 7c per ton per mile."

"On Lumber, delivered along the line of the road, 8c per ton per mile."

"Passenger, from Depot to Depot, 5c per mile."

"No passenger is carried any distance for less than 50c."

"No package is received for less than 25c freight."

During the period of twenty years succeeding the date of this crude tariff, considerable progress was made in classification, and that the trend was downward even then is shown by a very interesting tariff typical of conditions, as they obtained in 1852, issued to become effective April 20th of that year, by Sam Brown, general freight agent of the old New York and Erie Railroad. It will be noted that it had become unfashionable since 1836 for the publication of a freight tariff to be dignified by the signature of the president of the road. Instead the position of general freight agent has been created. That rates were still high and classifications comparatively few, is shown by an examination of this New York and Erie curio. It enumerated approximately three hundred articles grouped in three classes, each having about an equal number of commodities. "Special Rates and Conditions" were provided for particular commodities thought to be entitled to

a lower than class rating, but these rates were greatly excessive as compared to those of today. When this tariff was issued the first class rate from New York to Dunkirk, N. Y. (the terminal of the road), was $1.00 per hundred pounds, while articles of the second and third class could be shipped between these points at 75 cents and 50 cents per hundred pounds, respectively. No joint rates or fares were then provided, and the limits of the territory a manufacturer could reach with his merchandise were closely drawn.

The only parallel between the two old tariffs above referred to and present day issues is the matter of minimum charge on a shipment. In the early days this was 25 cents and it has never been changed.

If the shipping interests were confronted with conditions and charges for transportation such as were exacted in the early days, commerce would receive such a jolt as to stir the country from end to end. As progress has been made in the commercial world so have the railways extended and improved. Reductions in cost of transportation service affected through increased and modernized facilities have been reflected in reduced rates, classifications and fares, and the industrial traffic manager today is able to obtain highly efficient service at very reasonable cost.

Whether freight rates should be higher or lower is a subject which has logical argument on both sides. The railroads contend that increased cost in operating expenses warrants an advance in freight rates. Most shippers are agreed that if freight rates form proper relation each to the other, there would not be great opposition to an advance which would maintain the same relationship between all the different rates in a given territory, provided that territory was of sufficiently large scope to permit of

the increase affecting all business in that territory. When business conditions are dependent upon a certain scale or structure of freight rates, any disturbance or change in that structure creates unrest and necessitates readjustment in the selling prices of the various commodities affected. It is, therefore, desirable that when making any general change in the schedule of freight rates the carriers recognize the importance of maintaining the same relationship between individual rates and between localities within the section of the country affected by the change.

It is difficult to change the rates in one section of the country and not in another section, without affecting business which may be inter-sectional; that is, business within a territory which may comprise a part of the country not affected and another part affected by the change in freight rates. This is especially true with reference to that business which may be located at or near the divisional point, or divisional line, separating the affected section of the country from the unaffected section. This difficulty arose when the railroads in the Official Classification territory advanced their rates 5 per cent. The opposition brought up at that time showed how difficult it is to disturb a general schedule of rates, and how wide and sweeping the effect on business may be. The opponents of the advance appearing before the Interstate Commerce Commission at that time demonstrated how difficult it is for the carriers to advance rates which have been established for any length of time without disturbing the relationship of rates. On the other hand, the carriers are confronted with the constant change downward of rates, and their desires to meet changing commercial conditions by a downward revision of rates, as such matters are presented to them by the various industries

located on their lines, is constantly reducing the average earnings per ton mile.

Another of the various elements entering into the determination of what constitutes a reasonable rate is the matter of the exact valuation of the carrier's property involved in the transaction and the amount of earnings that should be given to a railroad property in that respect. Former Commissioner Prouty, in his preliminary statement with reference to the physical valuation of the railroads, estimated that it would take six years and cost $12,000,000.00 to determine the actual valuation of the railroad property in the United States. It will probably cost more than that amount and only the most optimistic believe the work can be completed within the estimated time. After this has been done it is hoped that authentic information will be available as to whether or not the capitalization of the carriers is in excess of a warranted amount, and whether it bears proper relations to the remuneration that is being obtained through the administration of that property.

It should not be lost sight of that too low rates may in fact be as discriminatory as too high rates. By this is meant that rates unreasonably low in themselves, which perhaps do not affect traffic of the same kind of merchandise in other localities or even between points in the same locality may yet be so unremunerative as to cause an actual loss to the carrier in handling such business. This loss must in turn be offset by proportionately high rates on other traffic to make up for the loss occasioned in transporting the freight carried at too low a figure. Thus, one interest, powerful enough to force the unduly low rate benefits unfairly at the expense of a weaker or unorganized interest. While an industrial traffic manager may not regard himself as responsible as to the rights of other than

those he directly represents, yet if he is fair-minded he will hesitate in seeking to bring about a condition which, although not illegal, is unjustly preferential to his employer.

The fact that such a state of affairs is possible seems to point to the need of a further increase in power of the Interstate Commerce Commission, whereby that body would have power to determine and fix a minimum, as well as a maximum interstate rate or classification.

In a previous paragraph it was stated that the law guarantees to all alike equality without discrimination. This is true in so far as the provisions of the act are possible of application. The law guarantees protection against the deeds of criminals, but every day innocent persons suffer through the unlawful acts of law breakers.

The law relating to interstate commerce is to a great extent effectual in preventing discrimination. The language employed is very specific and perfectly clear to one at all versed in transportation matters. The penalty for violation is likewise unmistakable. But the certainty of enforcement of the act it would seem might be considerably enhanced, if a slight but important amendment were made. During the year ending December 15, 1913, there were less than one hundred prosecutions for mis-billing, i. e., applying an incorrect classification or insufficient weight by shippers to their consignments. Assuredly this number represents but a very inconsiderable percentage of the violations of the law in its relation to incorrect description of interstate shipments.

The Interstate Commerce Commission acts in all cases of violation brought to its attention, but the law as at present upon the statute books does not, it seems, insure the Commission being advised of more than a comparatively few infractions.

There is no requirement in the law demanding that cases of mis-billing by shippers be reported by the carriers to the Commission. The carriers are naturally loth to involve their customers, the shippers, in criminal prosecutions, and are in most instances satisfied to correct the billing when a railroad inspector happens to find an incorrect description, and take no further action.

Shipments of silk billed as cotton waste, flax shipped as hemp, and numerous other incorrectly described articles may move on unlawfully low rates; and in cases of loss or damage the dishonest shipper usually assumes the greater part of the loss and bases his claim upon the valuation of the lower-valued commodity called for by the bill of lading.

The railroads by no means detect all such fraud. There are, without question, thousands of shipments moving every year upon which less than the lawful charges are paid.

If the law required the carriers to report to the Interstate Commerce Commission every case of mis-billing found by them it would not be long before the dishonest shipper would find the law so strictly enforced as to allow slight opportunity for such nefarious practice without consequent criminal prosecution, and he would be more respectful of the law.

That the carriers are beginning to take this view of the matter is evidenced by a circular published the early part of 1914 by the Western Weighing and Inspection Bureau, and which has had wide distribution among shippers. That the Inspection Bureau is of the opinion that incomplete description and erroneous weights are quite general, is shown by the phraseology of the circular.

This is an important step in the right direction and the plan will doubtless be very generally followed by all of the carriers. The following is the text of the circular:

TO SHIPPERS.

"Gentlemen:—In the past you have been phoned and written to about improper marking, insecure packing, incomplete description and incorrect weights of your shipments.

"Under the Interstate Commerce Law (extract from which is given below), you are equally responsible with the railroad when your shipment is NOT ACTUALLY CHARGED FOR in accordance with the Tariffs and Classifications, and it is your duty to see that your shipping department properly and fully describe your shipments.

"This Bureau has been instructed, beginning March 1st, to bring to the attention of the Interstate Commerce Commission all efforts by either railroads or shippers to evade the Classification and secure less charges in the aggregate than would accrue under proper application of existing tariffs and classifications.

"Respectfully,
"Western Weighing & Inspection Bureau.
"(Signed) A. S. Dodge, Superintendent."

"Any person (and any officer or agent of any), corporation, or company, or any agent or officer thereof, who shall deliver property for transportation to any common carrier subject to the provisions of this Act, or for whom, as consignor or consignee, any such carrier shall transport property, who shall knowingly and willfully, directly or indirectly, himself or by employee, agent, officer or other-

wise, by false billing, false classification, false weighing, false representation of the contents of the package or the substance of the property, false report of weight, false statement, or by any other device or means, whether with or without the consent or connivance of the carrier, its agent or (agents) officer, obtain or attempt to obtain transportation for such property at less than the regular rates then established and in force on the line of transportation; or who shall knowingly and willfully, directly or indirectly, himself or by employee, agent, officer, or otherwise, by false statement or representation as to cost, value, nature, or extent of injury, or by the use of any false bill, bill of lading receipt, voucher, roll, account, claim, certificate, affidavit, or deposition, knowing the same to be false, fictitious, or fraudulent or to contain any false, fictitious, or fraudulent statement or entry, obtain or attempt to obtain any allowance, refund, or payment for damage or otherwise in connection with or growing out of the transportation of or agreement to transport such property, whether with or without the consent or connivance of the carrier, whereby the compensation of such carrier for such transportation, either before or after payment, shall in fact be made less than the regular rates then established and in force on the line of transportation, shall be deemed guilty of fraud, which is hereby declared to be a misdemeanor, and shall, upon conviction thereof in any court of the United States of competent jurisdiction, within the district in which such offense was wholly or in part committed, be subject for each offense to a fine of not exceeding five thousand dollars or imprisonment in the penitentiary for a term of not exceeding two years, or both, in the discretion of the court:

"Provided, that the penalty of imprisonment shall not apply to artificial persons."

It is difficult to conceive of any concern willfully attempting to evade the payment of just and lawful transportation charges, and in the majority of cases prosecuted by the Commission it developed that the shipper did not employ a traffic expert.

In its twenty-seventh annual report issued December 15th, 1913, the Interstate Commerce Commission states:

"The false billing of freight by shipper continues. During the year a large number of instances of this kind have been investigated. In cases where it appeared possible that the offending shipper was honestly mistaken as to the proper classification under which to ship his goods, warning as to the future has been resorted to rather than prosecution. In many cases, however, the mis-billing or false weighing has been clearly willful, and in all such cases prosecution has been undertaken. During the year fines for these offenses amounting to $16,750.00 in the aggregate have been recovered.

"A large number of other instances of false billing as to kind and weight of commodities shipped by firms in New York City have been investigated, and further indictments for this offense are expected in the southern district of New York within a short time. The temptation to the dishonest shipper to commit the offense forbidden by Section 10 is in many cases so strong, and the injustice resulting to competitors who scrupulously observe the law is so great that it is believed these offenses can be effectively checked by the tendency of the courts, already observable, to increase the punishment for them."

The recommendation for more severe punishment of those violating the law is doubtless in line with the necessities. Such procedure, together with the required cooperation of the carriers would effectually stamp out the evil.

It is the duty of the traffic manager to study carefully the nature of the commodities shipped by his concern and apply the correct classification as stipulated by the classification committee within whose jurisdiction the shipment moves.

In a subsequent chapter will be submitted the outline of a system intended to adequately insure against innocent violation of Section 10 of the act.

In the preceding paragraphs it has been the purpose to outline in a general manner something of the industrial and commercial traffic manager's activities. In the succeeding consideration of his work the details of the office and systemization of the traffic department will be discussed.

§ 5. Systemization of Traffic Department.

To prescribe a plan for the economic and efficient administration of all traffic departments would obviously be impossible. Conditions peculiar to a given line of manufacture, or those surrounding the production of a given article may so dominate as to require special arrangements with reference to the matter of transportation, and which particular plan would be absolutely unsuitable when applied to another traffic department where there were dissimilar conditions.

There are probably no two traffic departments having exactly the same systems in their entirety, any more than there are any two traffic managers having exactly parallel conditions throughout their duties.

Each traffic department must be organized and systemized according to the requirements of the work and the efficiency of the system depends largely, if not wholly, upon the organizer and manager.

Too much system, sometimes defined "red tape," is

always to be avoided. If the working plan is too cumbersome the efficiency of the department is bound to be minimized to say nothing of the unnecessary expense of operation.

(1) Publications.

For the benefit of the uninitiated, it may not be inopportune here to recommend the principal publications appertaining to the work of the traffic department. No traffic office would be complete without "The Official Guide of the Railways and Steam Navigation Lines of the United States, Porto Rico, Canada, Mexico and Cuba," which is published monthly by the National Railway Publication Company of New York, and contains the current time tables in effect, miscellaneous information relative to railways, improvement and progress, maps, mileage, list of stations in the countries mentioned, points of connection of the roads, the names of the express companies operating over the various lines, and officials of carriers, ocean, coastwise and river navigation routes, and other information useful to a traffic manager.

"Bullinger's Guide," published by Edwin W. Bullinger of New York, is also very useful since it contains a complete list of postoffices and railways on which they are located in the United States and Canada, the name of the nearest railway station when the postoffice is not on a railroad and other similar useful information. "Bullinger's Steamship and Railway Bulletin," containing time tables and dates of steamship sailings, which is published weekly, is also invaluable to the traffic officer. While not indispensable in all traffic departments the Official Railway Equipment Register, published by the Railway Equipment and Publication Company of New York City, will be found to be of considerable value to most departments. This

contains a complete list of all cars of every description owned, leased and operated by all railroads, with the number of each style. That it may be easily determined what cars will clear bridges, terminals, etc., the height, length, loading capacity, etc., are enumerated. Similar information with reference to privately owned cars is also contained in this publication.

The Railway World, published in Philadelphia, Pa., is considered to be one of the best publications devoted to transportation. It contains the latest traffic and railway news and editorials on current events in this field.

The "Traffic Bulletin" and "Traffic World" are issued weekly by the Traffic Service Bureau in Chicago. These publications are sometimes referred to as the unofficial organs of the Interstate Commerce Commission. The "Traffic Bulletin" contains a list of all classifications, tariffs and supplements as they are filed with the Commission, as well as a list of all suspended tariffs. These tariffs and supplements are conveniently indexed as to commodities and classes so that easy reference is possible. Claims for reparation as presented and allowed are also enumerated. Careful perusal of the Bulletin each week will keep one in close touch with the transportation rate situation throughout the United States. The "Traffic World" contains the decisions of the Commission, information as to hearings, and general traffic news.

Some state railway and public utility commissions issue periodically publications containing list of intrastate rates filed with them. An illustration of this is found in the "Weekly Bulletin" issued by the Public Service Commission of the Second District of New York. This contains all changes in intrastate freight rates and passenger fares in New York State, as well as enumeration of claims for

reparation which are allowed and notice of the suspension of rates, fares, exceptions to the classification, etc.

The Superintendent of Documents, Washington, D. C., issues a list of the United States Public Documents relating to Interstate Commerce, Railroads, Routes, Inland Waterways, Merchant Marine, etc. This publication may be obtained by addressing the superintendent. This is a valuable index to all public documents on transportation.

There are numerous other periodicals dealing with the transportation subject which will be found of interest and helpful to the student of traffic work.

CHAPTER II.

TARIFFS AND RATES.

§ 1. Procuring Tariffs and Supplements.
§ 2. Filing and Indexing.
§ 3. Card Index Systems of Rates and Classifications.
§ 4. Competitive Rates.
§ 5. Comparative Rates.

CHAPTER II.

TARIFFS AND RATES.

The Interstate Commerce Commission has authority under Section 6 of the Act to Regulate Commerce as amended June 18, 1910, to govern the construction and filing of freight tariffs and classifications, and passenger fare schedules, by common carriers wholly by railroad or partly by railroad and partly by water as defined in that Act. From time to time the Commission has issued conference rulings governing the filing of freight tariffs, classifications, etc. Any tariffs which are not prepared and filed in accordance with the regulations of the Interstate Commerce Commission are unlawful and the rates therein contained cannot legally be used. It is therefore of the greatest importance that the shipper assure himself that the tariffs are in accordance with the rules and regulations as provided by the Interstate Commerce Commission.

Rule No. 4 of tariff circular No. 18-A, approved by the Interstate Commerce Commission on February 13, 1911, to become effective on March 31 of the same year, specifies the construction of freight tariffs. This regulation is of vital importance to traffic managers and should be most carefully studied.

The rule provides:

Tariffs in book or pamphlet form shall contain in the order named:

(A) Table of contents: A full and complete statement

in alphabetical order of the exact location where information under general headings, by subjects, will be found, specifying page or item numbers. If a tariff contains so small a volume of matter that its title page or its interior arrangement plainly discloses its contents, the table of contents may be omitted.

(B) Names of issuing carriers, including those for which joint agent issues under power of attorney, and names of carriers participating under concurrence, alphabetically arranged. If there be not more than ten participating carriers their names may be shown on the title page of the tariff. The form and number of power of attorney or concurrence by which each carrier is made party to the tariff must be shown.

(C) Alphabetically arranged and complete index of all commodities upon which commodity rates are named, preceded by a paragraph, viz.: "Following list enumerates only such articles as are given specific rates; articles not specified will take class rates." All of the items relating to different kinds or species of the same commodity will be grouped together. For example, all items of coal under "Coal," and descriptive word or words following, as "Coal," "Coal-Anthracite," "Coal-Bituminous," etc.

The index to a general commodity tariff or a combined class and commodity tariff shall also include in alphabetical order all articles upon which commodity rates are named in other tariffs applying from any point of origin to any point of destination named in the tariff, and with such entry shall be shown the number or numbers of tariffs in which such rates are found. For example, "Lime, I. C. C. No. 122," or "Staves, I. C. C. No. 1042." Carriers' tariff numbers may be also shown.

A commodity item which refers to a list of articles taking one commodity rate need be indexed but once, provided reference is given to the item or the I. C. C. number of the issue that contains list of the articles embraced in the term. For example, "Agricultural implements, as described in item of this tariff," or "as described in Western Classification I. C. C. No. —," or "Packing-House Products, as described in — Tariff, I. C. C. No. —." When

such specific reference to list of articles embraced in the term is given, the several articles so embraced need not be indexed separately.

A local tariff on a single commodity, or a few commodities, shall contain all of that carrier's commodity rates on such commodity or commodities applying from any point of origin to any point of destination named in the tariff; and a joint commodity tariff shall contain all of the initial carrier's commodity rates on the same commodity or commodities applying from any point of origin to any point of destination named in the tariff via the route or routes authorized by the tariff. If there be not more than ten such commodities they may be named on the title-page of the tariff.

If all of the commodity rates to each destination in the tariff are arranged alphabetically by commodities, and plain reference thereto is given in table of contents, further or other index of commodities may be omitted from that tariff, provided that, if the issuing carrier, or a participating carrier, has in other tariff or tariffs commodity rates applying from any point of origin to any point of destination named in the tariff, a complete list in alphabetical order by commodities of such other tariffs, together with description of character of traffic, territory or points of origin and of destinations, and the I. C. C. numbers of tariffs containing such commodity rates shall be shown in the first part of the tariff and shall be specifically referred to in the table of contents.

(D) An alphabetical index of points from which rates apply, and an alphabetical index of points to which rates apply, together with names of States in which located. When practicable, the index numbers of points and pages upon which rates will be found, or item numbers in which rates from or to such points appear, should be shown. If there be not more than 12 points of origin or 12 points of destination, the name of each may, if practicable, be specified on title-page of tariff.

If a tariff is arranged by groups of origin or destination, by bases, or by bases numbers, the indices must show for each point the proper group, basis, or basis number.

If points of origin or of destination are shown throughout the rate tables in continuous alphabetical order, or are shown alphabetically by States and such States are alphabetically arranged, or are shown by groups alphabetically arranged, no index of points of origin or destination will be required. But when such alphabetical arrangement in rate tables is used the table of contents shall indicate the pages upon which points are so shown, and when arranged by States or groups shall give specific reference to the pages on which rates to or from points in each State or group will be found.

If a tariff is constructed so as to state rates by groups or bases, and also states specific rates to or from individual points, it shall contain an alphabetical index of such individual points and also alphabetical lists of the points in such groups, or reference to the I. C. C. number of issue which contains lists of such group points.

Geographical description of application of tariff may be used only when the tariff applies to or from all points in one or more States or Territories or when it applies to or from all points in a State or Territory except those specified. But such list of exceptions for a single State or Territory may not exceed one-third of the number of points in that State or Territory to or from which (as the case may be) the tariff will apply. For example, a tariff may state that it applies from all points in New York, Pennsylvania, and New Jersey, and from all points in Delaware, except (here give alphabetical list of excepted points), and from the following points in Ohio (here give alphabetical list of Ohio points).

Traffic territorial or group descriptions may be used to designate points to or from which rates named in the tariff apply, provided a complete list of such points arranged by traffic territories or groups is printed in the tariff or specific reference is given to the I. C. C. number of the issue that contains such list. In this list the points in each traffic territorial or group description shall be arranged alphabetically, and the name or names of roads upon which points are located must be shown; or all of the points in traffic territories or groups named in the tariff may be

included in one alphabetical index, provided (1) that points of origin and points of destination are shown separately, alphabetically; (2) that the name or names of roads upon which points are located and the tariffic territorial or group description in which they belong are shown opposite the several points.

(E) Explanation of reference marks and technical abbreviations used in the tariff, except that a special rule or provision applying to a particular rate will be shown in connection with and on same page with such rate.

(F) List of exceptions, if any, to the classification governing the tariff which are not contained in exception sheets referred to on title-page.

(G) Such explanatory statement in clear and explicit terms regarding the rates and rules contained in the tariff as may be necessary to remove all doubt as to their proper application.

(H) Rules and regulations which govern the tariff, the title of each rule or regulation to be shown in bold type. Under this head all of the rules, regulations, or conditions, which in any way affect the rates named in the tariff shall be entered, except that a special rule applying to a particular rate shall be shown in connection with and on the same page with such rate.

No rule or regulation shall be included which in any way or in any terms authorizes substituting for any rate named in the tariff a rate found in any other than that clearly stated in specific terms in the tariff of which the rule or regulation is a part.

Tariffs which contain rates for the transportation of explosives must also contain notice that such rates are applicable in connection and in compliance with the regulations governing the transportation of explosives fixed by the Interstate Commerce Commission. If tariff is governed by classification, it will be sufficient to include this notice in the classification referred to as governing the tariff.

A carrier or an agent may publish, under I. C. C. number, post, and file a tariff publication containing the rules and regulations which are to govern certain rate sched-

ules, and such publication may be made a part of such rate schedules by the specific reference "Governed by rules and regulations shown in — I. C. C. No. —."

When a tariff makes reference to another tariff the I. C. C. number of such other tariff must be given, and when such tariff referred to is the publication of another carrier or an agent, the initials of such other carrier or the name of such agent, respectively, must be shown in connection with the I. C. C. number.

A rate schedule may in like manner refer to another schedule for the governing rules and regulations.

A schedule or a publication so referred to must be on file with the Commission and be posted at every place where a schedule that refers to it is posted.

(I) An explicit statement of the rates, in cents or in dollars and cents, per 100 pounds, per barrel or other package, per ton or per car, together with the names or designation of the place from and to which they apply, all arranged in a simple and systematic manner. Minimum carload weights must be specifically stated. Tariffs containing rates per ton must specify what constitutes a ton thereunder. A ton of 2,000 pounds must be specified as "net ton" or "ton of 2,000 pounds." A ton of 2,240 pounds must be specified a "gross ton," "long ton," or a "ton of 2,240 pounds." Complicated or ambiguous plans or terms must be avoided.

When a classification or exception sheet contains rules under which numerous commodities are classified as taking a percentage of a class rate (for example, rules similar to Rules 25 and 26 of the Official Classification), class-rate tariffs governed by such classification or exception sheet shall show specifically the rates applicable under such rules just as if those rules were additional numbered or lettered classes.

(J) The different routes via which tariff applies may be shown, together with appropriate reference to application of rates. When a tariff specifies routing the rates may not be applied via routes not specified. A tariff may show the routing ordinarily and customarily to be used and may provide that, if from any cause shipments are

sent via other junction points, but over the lines of carriers parties to the tariff, the rates will apply.

If a tariff contains no routing directions the joint rates shown therein are applicable between the points specified via the lines of any and all carriers that are parties to the tariff; and shipper must not be required to pay higher charges than those stated in the tariff because the carriers have not agreed divisions of the rates via the junction through which the shipment moves. If agent of carrier bills or sends shipment via a route or junction point that is covered by the tariff, but via which no division of the rate applies, it is for the carriers to agree between themselves upon the division of the rate, and the intermediate or delivering carriers may demand from the carrier whose agent so missends shipment their full local rates for the services which they perform. (This must not be construed as conflicting with routing and mis-routing rulings published in Conference Rulings Bulletins.)

Any tariff coming to the observation of a shipper that is not constructed in accordance with this rule should be immediately called to the attention of the issuing carrier, if the shipper expects to use the rate therein contained. It is not enough to know that the I. C. C. number appears on the tariff. While tariffs are examined as to form when they reach the Interstate Commerce Commission there would be opportunities that the shipper might not be advised of the suspension of the tariff and be basing quotations, etc., upon a tariff which actually was unlawful and not in effect. The Traffic Bulletin, heretofore referred to, each week specifies a list of suspended tariffs, and this should be examined to make sure that none of the tariffs in use has been suspended. After ascertaining that the tariff is in proper and legal form the cancellation by supplement, re-issues and tariff which supersedes those tariffs, can be carefully checked each week by an examination of the Traffic Bulletin, and by inspecting the list of

new tariffs as they are filed by the carriers, as shown in the bulletin referred to. Such procedure on the part of the shipper will insure himself of always being in possession of tariffs which legally apply on his traffic.

To gain some adequate idea of the complicated systems of tariffs and rates in effect on the different railroads in the United States one has but to consider that during the twelve months ending November 30, 1913, there were 141,257 tariff publications containing changes in rates, fares or charges filed with the Interstate Commerce Commission. This is an increase of over 32,000 over the preceding twelve months. In order to assure himself that he is paying the lowest lawful rates it is necessary for the shipper to have figuratively checked, or examined, all of these new tariffs containing changes in rates. If there were no system in effect whereby this could be done with a minimum amount of labor it can readily be seen how impossible it would be for the ordinary shipper to keep in touch with freight rate changes. It would, indeed, be a hopeless task, but the problem having been worked out on a systematic basis it becomes a simple matter for the shipper to keep in constant touch with all changes in rates, fares and classifications in which he may be interested and promptly to inform himself of any changes occurring in tariffs relating to his traffic.

§ 1. Procuring Tariff and Supplements.

With reference to the enormous numbers of tariff changes which are constantly occurring, the reader who may not be thoroughly informed will be greatly surprised at the figures given by Commissioner Prouty in his address on January 16, 1913, before the Traffic Club of Chicago.

Commissioner Prouty's remarks on this subject are as follows:

"Something like a year ago it occurred to me that I would like to know how many tariff changes were made in the tariffs filed with the Interstate Commerce Commission, so I asked the chief of our tariff bureau to examine his files and tell me how many changes were made in freight schedules, passenger schedules and express schedules, for ten days. The period covered was the ten days from October 22, 1912. No attempt was made to magnify the number of changes. Where the change was to a group, although the number of changes would be very great, the change was simply counted as a single change. For example, if the rate was changed from Chicago to Texas common points, that would be one. If a rate was changed in transcontinental tariffs, while a very great many points would be affected, the change was only counted as one. Changes in classification would affect an infinity of rates almost, but it was only counted as one change.

Now then, reckoning changes in that way there were in this period of ten days in freight schedules—and I am quoting from memory, and it may not be absolutely exact, but it is substantially right—there were 15,000 advances and 29,000 reductions. In the passenger tariffs there were 60,000 advances and about 86,000 reductions. In express tariffs there were 4,000 advances and 32,000 reductions."

Even the traffic expert will find occasion for amazement in the enormous number of changes which are being made constantly in freight tariffs. This shows a flexibility of the system of handling transportation business in this country, and impresses one with the absolute necessity for the adoption of an arrangement whereby all rates which are required and must be used should be systematically obtained and filed.

§ 2. Filing and Indexing.

The lack of uniformity of conditions in the different localities of the country makes impossible one general scheme of rate making and tariff filing. While the Commission requires that there be certain uniform conditions observed in the preparation of a tariff, the general make-up and style of the different tariffs in different territories varies greatly. Then, too, the rate situation in the country is complicated by the several sections of the country being divided into different classification territories. Even were the scheme of rate making of all the carriers uniform within each of the three principal classification territories, the Official, the Southern and the Western, filing and indexing of tariffs would be greatly simplified, but such is not the case.

As an illustration: The Official Classification territory is sub-divided into the New England Freight Association territory, Trunk-Line Association territory and Central Freight Association territory. Hence it would be almost impossible to devise any plan of filing the tariffs and rates with reference entirely to the territory in which those rates may operate, since within the Official Classification territory rates might govern traffic moving from the New England district through the Trunk Line to the Central Freight Association territory. Or, again, the Official Classification would govern on traffic originating in one of the three sub-divided territories of the Official Classification and moving beyond the boundary of that territory. This phase of rate making is explained in detail in another volume and is mentioned here only with an idea of showing that it would be impossible for a shipper to file his tariffs under the heading of the classification territory in which the traffic originated or to which it was destined. It is

necessary then to devise some plan whereby tariffs may be filed to permit of quick reference and insure accuracy.

The tariff file of the industrial traffic department in so far as the limitation of its requirements extend should be as complete and allow of as easy access to rates as the more elaborate systems found in the freight department of the railroads. The common carriers are required by law to keep on file a complete system of tariffs and classifications, circulars of instruction and other publications of the traffic department, freight and passenger, in which they may participate. No such burden is imposed upon the shipper, but his own interests require him to possess the tariffs he actually uses.

The industrial concern having but one place of manufacture, offers comparatively a simple proposition so far as a tariff file is concerned; but a concern having factories in different localities and in different classification territories is confronted with a more complicated system of rates and classifications, requiring the greatest degree of completeness if the shipper would assure himself of enjoying the lowest basis of rates between his several factories and shipping point, as well as between point of origin of the raw material and his factories.

There are doubtless ten or more very good systems of filing and indexing freight tariffs and classifications. The method of handling tariffs by shippers is somewhat different from that employed in indexing and filing tariffs in a railroad company's file, although some commercial houses employ exactly the same manner of indexing and filing as that used by the carriers. It is not the purpose in this volume to recommend any particular system of filing tariffs, as the requirements of one commercial institution might be different from that of another; therefore such recommendations would not meet the requirements.

That a suitable tariff filing system is necessary goes without saying. To route freight properly and compute rates has become a science, and the carriers, as well as the shippers, are obliged to have ready access to the tariffs containing the rates that they must use. Some use ordinary vertical letter files, indexing the tariffs as to commodities, i. e., miscellaneous commodities, specific commodities, classes, classifications and circulars. This arrangement perhaps has its advantages.

Others file their tariffs in binders according to the carrier issuing. For illustration, the binder or binders, marked "New York Central" would contain all the New York Central issues which the shipper would have occasion to use. The binder marked "Trans-Continental" would contain tariffs issued by the Trans-Continental Freight Bureau. This arrangement in a great many instances has been found to be highly efficient and entirely satisfactory, giving easy access to the desired tariff, which by this arrangement is kept in neat condition and protected from being torn and otherwise damaged through use.

It is usually impracticable to follow exactly the same system as is used by the different railroads in indexing and filing, since the railroad tariff department has to deal with every commodity transported over its rails, whereas the shipper need only concern himself in so far as his tariffs and rates are concerned with the commodities in which he is directly interested.

To ascertain a rate from a given point the shipper should determine the railroad on which the shipment originates and then refer to the tariffs of that road to secure the desired rate, or if the rate is contained in an agency publication, he should refer to the tariffs of the agent having

jurisdiction over the traffic. This system is found to be satisfactory for some requirements but could hardly be recommended as being adaptable to commercial traffic departments generally. The writer has obtained the opinions of a number of the leading traffic managers on this subject and the suggestions herein contained are the consensus of those opinions. All the traffic men believe that the vertical self-indexing Cook file is equal to, if not superior to, other files. We will, therefore, undertake to describe that system of filing.

The tariff envelopes or folders described herein are self expanding and adapt themselves to the thickness of any tariff. On the front of the envelope is printed the following skeleton index:

Tariff		Wire No.
No.....	.....	
No.....	.....	
No.....	From.....To.....	.....
No.....	.....	
No.....	.....	
No.....	.....	

The blank spaces are, of course, to be used in filling in the tariff numbers, name of the road, places from which and to which the tariffs apply and rates are contained in the tariffs.

The heading of the tariff envelope or wrapper shown below will give one an idea of the system of indexing. At the left is shown the G. F. D. number; in the center the application and from-and-to-point, while to the right the permanent file number and carrier issuing is inserted:

Tariff		Wire No.
No.....	..... R. R.	
No.....	CLASSES	109
No.....	From: To:	
No.....		
No.....		
No.....		

The tariff cabinets are in sections and the complete unit is usually composed of sectional tariff file, sliding shelf, drawers for cancelled issues and base.

The sectional tariff file is equipped with sliding frames having wire racks, on which the tariffs in the wrappers rest.

Tariffs may be indexed as to the road if desired. This is undoubtedly the best method to pursue. The wires holding the tariffs upon the racks are indexed from "A" to "Z," and the tariffs of the road beginning with "A" would be placed on the first wires. To illustrate: Ann Arbor and Atchison, Topeka & Santa Fe and other roads beginning with "A" would be followed by the Baltimore & Ohio, Boston & Albany, Central Railroad of New Jersey and Delaware & Hudson, etc. It does not, of course, follow that the shipper would have all of the tariffs of each of the roads over which he shipped, but only those tariffs containing rates of interest to him. A road may publish a large number of tariffs which are in use by the shipper and in that event several envelopes and wires are required to contain the tariffs of one road. To secure the greatest efficiency in handling this system it is well to file the tariffs with reference to the road originating the traffic. For illustration: A manufacturing concern has a plant located in several sections of the country. One at Lawrence,

Mass., local to the Boston & Maine Railroad, from which point he ships to various parts of the United States, or perhaps only to some particular section of the country. The tariff containing the outbound rates applying on those shipments would, ordinarily, be published by the Boston & Maine Railroad and would be filed and indexed on the wire marked "B." To obtain rates from Lawrence, the shipper would refer to wire "B" and secure the proper tariff of the Boston & Maine covering the movement of the traffic to the point of destination. He would, of course, require class rate tariffs applying from Lawrence to all points to which he might ship. For instance, he would perhaps require westbound class rate tariff and tariff carrying rates from Boston & Maine to New York Central, Erie Railroad and places on other roads in Trunk Line territory, and between local points on the Boston & Maine Railroad. He would also need files of all the commodity tariffs applying on the particular article he manufactured or shipped.

In determining the rate he would first examine the commodity tariffs to assure himself that no commodity rate applied before securing the class rate from Lawrence to the point of destination. If the shipment were to move to the Pacific Coast or to some territory to which the Boston & Maine did not publish the tariff but to which they were parties to the rate, it would be, of course, necessary to find the tariffs carrying such rate. An industrial traffic manager accustomed to handling tariffs would select the tariff which would govern on a particular shipment, and to secure a rate to the Pacific Coast would refer to Trans-Continental tariff, which would be filed on wire "T." The application of rates is dealt with in the volume entitled "Application of Rates" published by the American Commerce Association.

The manufacturer may have another factory located at

Cleveland, Ohio, which city is in the Central Freight Association territory and located on a number of lines. It is necessary for him to keep a file of the tariffs of all of the railroads operating from that point, which, of course, necessitates possessing a large number of tariffs. The different roads operating from a competitive point, like Cleveland, would all publish the same rates to the majority of points, but this is not always the case and it is therefore necessary for the shipper to refer to the tariffs of all the other roads as well as those of the road over which he intends to ship to assure himself that he is obtaining the lowest rate that can be legally applied to his shipments. Difference in rates might occur through one road issuing a commodity rate from Cleveland to point of destination, whereas, another road operating from Cleveland (as that is the point we have under discussion) might only carry class rates to the point of destination. In the tariff file, therefore, it is necessary to carry the complete set of rates from Cleveland over all the lines to the different destinations where his merchandise may be marketed.

If the article he manufactures is given a specific or commodity rating it is well to file the commodity tariffs in one folder or folders, as occasion may require, and the class rates in other folders; then when quoting the rate it is always advisable first to examine the commodity tariffs before consulting the class rate tariffs. If he finds no commodity rate applying to the point he desires to ship he would then refer to the tariff carrying the class rates and determine his rate.

In former years it was with the greatest difficulty that the shipper obtained a complete file of tariffs, but of late the railroads make it a practice to furnish any shipper with tariffs in which he may be interested. The subject of charging for tariffs was agitated at one time and one of the eastern roads even adopted the plan of charging for

all tariffs to concerns that were not located on its rails. This plan did not meet with general approval and today the shipper has no difficulty in obtaining without charge tariffs which he may desire. When requesting a tariff it is always well to ask that supplements and re-issues be furnished promptly as published. The carriers are required by law to file their tariffs with the Interstate Commerce Commission prior to their becoming effective, and each week the Traffic Bulletin referred to heretofore publishes a list of all the tariffs filed with the Commission. These tariffs are indexed in the Bulletin as to commodities and it is a simple matter for the shipper each week to examine the list of commodities in which he may be interested and take therefrom a note of such tariffs as apply to the commodities which he is shipping. A request upon the issuing carrier then being made by the shipper, the tariff is promptly furnished. Some industrial concerns use a postal similar to the following on which to ask for tariffs:

New York, May 10, 1914.

(Mr. John Brown, G. F. A.,
G. Q. & Y. R. R.,
New York, N. Y.)

Dear Sir:—

Kindly favor us with copy of tariff I. C. C. 5421—(RR No. 1281) and supplements and reissues, containing rates on..... (Sugar).....from.....(New York) .....to.....(Western Points) and oblige,

Yours very truly,
(A. B. C. SUGAR CO.)
(H. N. Smith),

Traffic Manager.

The following form of request for class rates where the tariff may not be desired is frequently used. This can be printed upon an ordinary postal card:

New York, May 10, 1914.

(Mr. John Brown, G. F. A.,
G. B. & Q. R. R.,
New York, N. Y.)

Dear Sir:—

Kindly advise class rates..... from (New York) on (G. B. & Q.) R. R., to (Endline, N. Y.) on (C. M. & R.) R. R., and route over which same apply, obliging,

Yours truly,

(A. B. C. SUGAR CO.)
(H. N. Smith),

Traffic Manager.

A record is kept of all tariffs requested until the tariff or tariffs have been received, thereby insuring that no request for tariffs will go unheeded. If the tariff, when received, is found to cancel some issue already in the file the cancelled tariff is removed and filed in a cancelled tariff file, or if it is one to which reference will not be required it is destroyed.

§ 3. Card Index Systems of Rates and Classifications.

It would be a very cumbersome plan and require a great deal of unnecessary labor if each time that a rate was required it was necessary to refer to the tariff carrying that rate. It is, therefore, well to prepare a card index on which to note the rates commonly used. The card may be indexed either as to destination, or, when rate cards cover raw material shipped to one or more plants of the

manufacturer, the rates are indexed as to originating point, and then again if desired may be re-indexed as to the commodity. A few illustrations of these card index systems are found below:

To (Boston, Mass.) Commodity:

("Acid, in Carboys")

From	C/L	L/C/L	Route
(1) Waterbury, Conn.....	(C)	(1)	
(2) Brooklyn, N. Y.....	(5)	(1)	
(3) Elizabethport, N. J.....	(5)	(1)	
(4) Erie, Pa.	(5)	(1)	

Tariff Authority: Effective:
(1)
(2)
(3)
(4)

(Figures in parentheses denote whether class or commodity rate.)

From (Boston, Mass.) Commodity:

("Empty Carboys")

To	C/L	L/C/L	Route
(1) Waterbury, Conn.	(R25)	(R25)	
(2) Brooklyn, N. Y.....	(R25)	(R25)	
(3) Elizabethport, N. J.....	(R25)	(R25)	
(4) Erie, Pa.	(R25)	(R25)	

Tariff Authority: Effective:
(1)
(2)
(3)
(4)

Another freight rate card in use by a large eastern manufacturer is complete in rate information, and it is said that one of these cards properly filled out is sufficient to eliminate the necessity of referring to the tariffs after the information is once carried to these cards. Space is provided not only for rates via the standard lines but also for differential rates, as well as the rates as they are made up to basing points. The cards are indexed only as to destination.

The face of the card referred to is shown on page 51.

On the reverse side is blank space sufficient to make up combination rates where there are no through rates published.

The numerals 1 to 18, inclusive, and the letters A to M, inclusive, are used for the purpose of indicating the tariff authority, there being insufficient room in the spaces for that purpose on the main part of the card. The tariff authority is therefore indexed by the numerals or letters.

There are scarcely any two requirements in card indexes which would be identical and it is therefore necessary to be resourceful in making up any sort of a system. The plans herein contained are of a suggestive nature only.

When a new tariff or supplement is received, and before filing, the rates are entered on the cards and are then accessible for quick reference. When the rate cards are prepared from the tariffs a duplicate set may be made for the sales department or a duplicate set for the rate clerk who checks the freight bills and prepares the claims. It is well also to keep a file of the cancelled cards, as the tariff authority is given on these cards with the date effective and it is always possible thereafter to refer to the inactive cards and determine what the rate on a given commodity was at a prior date.

RATES TO

From	Manchester, Va.					Schenectady, N. Y.						Parkersburg, W. Va.				Hagerstown, Md.		Richmond
						Standard Lines				Diff.								
On	Paper		Pulp	W. P. Board		Paper Cases		Paper Rolls, etc.		Paper		Paper		Pulp	Card Calc.			
	CL	LCL	CL	CL	LCL	CL	LCL	CL	LCL	CL	LCL	CL	LCL	CL	LCL	CL	LCL	CL
Date																		
Rate																		
Min. CL Wt.																		
File No.																		
Tariff Authority See Below																		

From	Harrisburg, Pa.							Basing Rates										
On	Paper		Charcoal		Prec. Lime		Agl. Lime											
	CL	LCL	CL	LCL	CL	LCL	CL	CL	LCL	CL	LCL	CL	LCL	CL	LCL	CL	LCL	
Date																		
Rate																		
Min. CL Wt.																		
File No.																		
Tariff Authority See Below																		

1	2	3	4	5	6	
7	8	9	10	11	12	
13	14	15	16	17	18	

§ 4. Competitive Rates.

In handling a commodity, the sale of which is highly competitive, some requirements may necessitate the keeping of a file of tariffs and rates on a competitor's shipments. A shipper may be located in New York and have a competitor in Philadelphia. It may be necessary to compete with the Philadelphia concern to be informed of rates from Philadelphia, and, perhaps, if the commodity is sold on a very close margin, to enjoy rates equally favorable from New York. The traffic department of the New York concern compares the new rates on the commodity which both manufacture, as they are published to apply from Philadelphia to the territory in which the New York concern is also seeking to sell its goods, and asks the carriers for a relatively favorable rate. To carry out this plan to its fullest extent necessitates a separate file of tariffs for competitive rates, but the system of filing is the same as that outlined above. By such a plan the traffic department is able to advise the sales department at all times of their own rates, as well as the rates applying on the competitor's shipments. If both are quoting on a contract the sales manager can form a clear idea of the advantage or disadvantage he is under from a transportation standpoint. A quotation card from the traffic department to the sales department is often used and the form on next page is offered as suggestive of the phraseology and form to be employed.

§ 5. Comparative Rates.

The matter of comparative rates, that is, rates to a given destination from two or more originating points, is one which is of necessity given consideration in placing orders for shipments by the sales department. It is therefore essential that the sales department be informed of

May 10, 1914.

Mr. R. L. Jones, Sales Manager, Office:

The rate on (glue) from (New York) to (Chicago) is **31.5c** per 100 lbs. C/L; **42c** per 100 lbs. L/C/L.

The rate from **(Baltimore, Md.)** competitors' shipping point is **28.4c** per 100 lbs. C/L; **40c** per 100 lbs. L/C/L.

Yours truly,
R. B. WILLIAMS,
Traffic Manager.

the rates from all points where factories are located to destination. The rate card above referred to, properly filled out, will give this information and the sales department can tell at a glance whether it is more expensive to ship from one factory or another to a given destination by referring to the rate card containing the rates from all shipping points. This is one of the particular advantages so far as the selling department is concerned of the index system arranged as to destinations, and arranged as to the originating point for use of the purchasing department. The system so far as the inbound and outbound rates are concerned, is identical, other than in one case the rates are from a minimum number of originating points to a maximum number of destinations, whereas with inbound shipments, such as raw material, etc., the larger number of originating points would be those at which the raw material and supplies were purchased and shipped to the destinations or points of manufacture. In preparing a tariff file and card index system of inbound rates the same plan is, of course, used as with outbound rates, the only difference being that in one case the rate on the cards would read "to," and on the other "from." Before placing con-

tracts for supplies of raw material it is customary for the purchasing department to furnish to the traffic department a list of the points from which the different manufacturers propose shipping. The traffic department then quotes the purchasing department the rates and the contract may be placed with the manufacturer having a factory at the most advantageous shipping point, all other conditions being equal.

A great many tariffs are issued with an idea of containing a maximum amount of information and rates, the major part of which would not be of interest or use to one particular shipper. It is advisable to index such tariffs as to the commodities and points of origin and destination in which the traffic manager may be interested. A commodity tariff of this kind may contain hundreds of commodity rates. Perhaps the shipper would be interested in only four or five. These few rates are found on specified pages which may be indexed on the cover of the tariff and easily referred to when desired without the necessity thereafter of examining the entire tariff. These same refer to class rates to or from points where shipments are commonly made. These may also be indexed on the cover of the tariff for ready reference. Tariffs naming rates on a specific commodity between two points or between more than two points need not be so indexed on the cover of the tariff. Every tariff file must be flexible to take care of the increasing necessities of the business of the concern. A minimum number of tariffs required to handle a certain business is desirable. It is essential, however, to have all the tariffs on file that a shipper would use, as frequently delay is experienced in obtaining those desired.

Particularly is this desirable where the tariffs are old, as the supply frequently becomes exhausted. It is then necessary to obtain quotations from those tariffs and these

quotations are apt to be incorrect, notwithstanding the fact that the law imposes a penalty upon the railroads for a misquotation of rates.

To the laymen it may seem strange that the carriers are not bound to protect rates quoted by an official of the road but such is the case. In fact, the carrier may not charge more or less than the legal rate, and if an error is made by the agent of the carrier in quoting rates and the error results in loss thereby to the shipper he can only pocket the loss, and, if so disposed, take the necessary steps to have the carrier fined a maximum of $250.00. As no part of the fine is payable to the shipper, all of it being payable to the Government, there is little satisfaction, except to those of vindictive temperament, in proceeding against the transportation company.

When the penalty for misquotation of rates was discussed before becoming a part of the law, effort was made to have a provision inserted through which at least a portion of the fine would be payable to the injured party, but it was argued that such a proviso would open an avenue through which collusion might be practiced between dishonest representatives of the carriers and shippers. The law was therefore amended to provide that all such fines are payable to the Government.

The only safe way is to examine the tariff itself carefully and determine upon the rate applying on the shipment in question. Many traffic managers refuse to route freight over a line which will not furnish a tariff covering the traffic and will not take a chance on the accuracy of verbal or written quotations. This is the safer way and protects the interest of the shipper beyond any peradventure of doubt.

The average layman has the idea that the freight rate structures in this country are in a state of chaos, or at least

so complicated as to be incomprehensible to the shipper. This is not a fact. Anyone having the fundamental idea of transportation conditions can, with the aid of a simple but efficient system, evolve a plan whereby he is assured that his shipments will move on the lowest legal rate. No one informed will dispute the statement that there are thousands of rates in this country which are out of line and inconsistent. By following a plan of checking competitive rates the traffic manager is able to establish a system of comparative rates which will enable him to determine with accuracy the reasonableness of the rates applying to his shipments. It is therefore of the utmost importance that he study his own rates and make careful comparison of them to those paid by his competitors.

The comparative feature of competitive rates is well illustrated by the experience of an eastern manufacturer of a commodity, which, for sake of illustration, we will designate as "Burlap."

This manufacturer produced an article which in the trade was considered to be of a high standard quality, but his competitors were able to duplicate his line and he observed that almost immediately after producing a new grade it would be duplicated by others in the trade, and invariably at prices lower than he could afford and still enjoy a reasonable manufacturing profit. This manufacturer had no traffic department and assumed that he was paying freight rates to the same extent as were his competitors. As competition became keener in his line he set about to determine how it was possible that he should invariably be undersold, as he purchased his raw material in large quantities and at close prices, and employed most efficient methods in the process of his manufacture. He finally came to the conclusion that the only channel, if

one existed, for a saving must be through that of freight charges. This seemed to him improbable, as the underselling continued in markets in close proximity to his factory, but with the aid of a friendly representative of the railroad on which his plant was located he discovered that while he was paying straight fourth class rates in carload lots, his competitors enjoyed commodity rates to the various markets, equivalent to sixth class rates. In many instances a difference in freight was so great as to be equal to the profit, and therefore it was necessary for him to sell at no profit at all, or forego the business.

He presented the situation to officials of the originating line, pointing out to them the direct loss that they suffered through his inability to obtain the business, and the carrier, appreciating the discrimination under which he labored and the justice of his demands, persuaded the connecting carriers to join with them in rates comparative with those in effect from other producing points. Through the increase in business that resulted from this change the carrier on which he was located benefited directly, both from the additional finished product transported, as well as from the revenue derived in handling the increased amount of raw material consumed in manufacturing the merchandise.

CHAPTER III.

SHIPPING PAPERS AND RECORDS.

§ 1. Shipping Order and Bill of Lading.
§ 2. Paid Freight Receipt.
§ 3. Record of Shipments.
§ 4. Instructions to Shipping Clerks.

custom, on account of the nature of the property, or when at the request of the shipper the property is transported in open cars, the carrier or party in possession (except in case of loss or damage by fire, in which case the liability shall be the same as though the property had been carried in closed cars) shall be liable only for negligence, and the burden to prove freedom from such negligence shall be on the carrier or party in possession.

Sec. 2. In issuing this bill of lading this company agrees to transport only over its own line, and except as otherwise provided by law acts only as agent with respect to the portion of the route beyond its own line.

No carrier shall be liable for loss, damage, or injury not occurring on its own road or its portion of the through route, nor after said property has been delivered to the next carrier, except as such liability is or may be imposed by law, but nothing contained in this bill of lading shall be deemed to exempt the initial carrier from any such liability so imposed.

Sec. 3. No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market, or otherwise than with reasonable dispatch, unless by specific agreement indorsed hereon. Every carrier shall have the right in case of physical necessity to forward said property by any railroad or route between the point of shipment and the point of destination; but if such diversion shall be from a rail to water route the liability of the carrier shall be the same as though the entire carriage were by rail.

The amount of any loss or damage for which any carrier is liable shall be computed on the basis of the value of the property at the place and time of shipment under this bill of lading, including the freight charges, if paid. Except in cases where the loss, damage, or injury complained of is due to delay or damage while being loaded or unloaded, or damaged in transit by carelessness or negligence, claims must be made in writing to the carrier at the point of delivery or at the point of origin within four months after delivery of the property, or in case of failure to make delivery, then within four months after a reasonable time for delivery has elapsed. Suits for recovery of claims for loss, damage or delay shall be instituted only within two years after delivery of the property, or in case of failure to make delivery, then within two years after a reasonable time for delivery has elapsed.

Any carrier or party liable on account of loss or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance.

Sec. 4. All property shall be subject to necessary cooperage and baling at owner's cost. Each carrier over whose route cotton is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. Grain in bulk consigned

Property destined to or taken from a station, wharf, or landing at which there is no regularly appointed agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and when received from or delivered on private or other sidings, wharves, or landings, shall be at owner's risk until the cars are attached to and after they are detached from trains.

Sec. 6. No carrier will carry or be liable in any way for any documents, specie, or for any article of extraordinary value not specifically rated in the published classification of tariffs, unless a special agreement to do so and a stipulated value of the articles are indorsed hereon.

Sec. 7. Every party, whether principal or agent, shipping explosive or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for all loss or damage caused thereby, and such goods may be warehoused at owner's risk and expense or destroyed without compensation.

Sec. 8. The owner or consignee shall pay the freight and all other lawful charges accruing on said property, and, if required, shall pay the same before delivery. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

Sec. 9. Except in case of diversion from rail to water route, which is provided for in section 3 hereof, if all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to the liabilities, limitations, and exemptions provided by statute and to the conditions contained in this bill of lading not inconsistent with such statutes or this section, and subject also to the condition that no carrier or party in possession shall be liable for any loss or damage resulting from the perils of the lakes, sea, or other waters; or from explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery, or appurtenances; or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And any vessel carrying any or all of the property herein described shall have the liberty to call at intermediate ports, to tow and be towed, and assist vessels in distress, and to deviate for the purpose of saving life or property.

The term "water carriage" in this section shall not be construed as including lighterage across rivers or in lake or other harbors, and the liability for such lighterage shall be governed by the other sections of this instrument.

If the property is being carried under a tariff which provides that any carrier or carriers party thereto shall be liable for loss from perils of the sea, then as to such carrier or carriers the provisions of this section shall be modified in accordance with the provisions of the tariff, which shall be treated as incorporated into the conditions of this bill of lading.

Sec. 10. Any alteration, addition or erasure in this bill of lading

★★Form E. D. 728-10-13-10M Sets

Uniform Bill of Lading—Standard form of Straight Bill of Lading approved by the Interstate Commerce Commission by Order No. 787 of June 27, 1908.

W. R. CROW,
GENERAL MANAGER,
CHICAGO, ILL.

ERIE DESPATCH

ERIE RAILROAD

W. S. COWIE, G. E. F. A.
NEW YORK, N. Y.
TELEPHONES 2920 FRANKLIN

For Rates and other information apply at Office, 399 Broadway, New York, N. Y.

New York, N. Y.—Foot Duane St. (Piers 20 and 21 North River). Foot Coenties Slip (Pier 7, East River). 28th St. and 11th Ave. Foot of 49th St., North River. Harlem Termioal (135th St. and Park Ave., Bronx). 131st St. and North River (East Bound Only). Foot of West Houston St., (Pier 39). Foot of West Fortieth St. (Pier 80).

REGULAR FREIGHT STATIONS

Brooklyn, N. Y.—Brooklyn Eastern District Terminal, North 5th St. and Kent Ave. Jay St. Terminal, Foot of Bridge St. Fulton Terminal, C L freight only, foot of Fulton St. Atlantic Terminal C L freight only, foot of King St. Baltic Terminal, foot of Baltic St. Bush Docks, foot of 48th St. Pier 4, Wallabont basin.

Jersey City, N. J.—Pavonia Ave. between Provost and Barnum St.
Warren Street Station—B. E. D. Terminal.
Hoboken, N. J.—Fifth St. and North River.
Weehawken, N. J.—19th St. and Willow Ave.
Edgewater, N. J.

PRINCIPAL AGENCIES

Akron, O.	Chicago, Ill.	Dayton, O.	Kansas City, Mo.	New Haven, Conn.	Philadelphia, Pa.	San Francisco, Cal.	St. Paul, Minn.
Albany, N. Y.	Cincinnati, O.	Denver, Colo.	Los Angeles, Cal.	New York, N. Y.	Portland, Ore.	Seattle, Wash.	Spokane, Wash.
Baltimore, Md.	Cleveland, O.	Des Moines, Ia.	Louisville, Ky.	Oklahoma City, Okla.	Rochester, N. Y.	Sioux City, Ia.	Springfield, O.
Birmingham, Ala.	Columbus, O.	Detroit, Mich.	Memphis, Tenn.	Omaha, Neb.	Saginaw, Mich.	St. Joseph, Mo.	Toledo, O.
Boston, Mass.	Davenport, Ia.	Grand Rapids, Mich.	Milwaukee, Wis.	Peoria, Ill.	Salt Lake City, Utah.	St. Louis, Mo.	Winnipeg, Man.
Buffalo, N. Y.		Indianapolis, Ind.	Minneapolis, Minn.				

Shippers No. .....
Agents No. .....

STRAIGHT BILL OF LADING—ORIGINAL—NOT NEGOTIABLE.

RECEIVED, subject to the classifications and tariffs in effect on the date of issue of this Original Bill of Lading.

at NEW YORK, N. Y., ... *191...*

from ..... the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown,) marked, consigned and destined as indicated below, which said Company agrees to carry to its usual place of delivery at said destination, if on its road, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions, whether printed or written, herein contained (including conditions on back hereof) and which are agreed to by the shipper and accepted for himself and his assigns.

The Rate of Freight from .....

to ..... *is in Cents per 100 Lbs.*

IF Special per.....	IF Special per.....

IF Times 1st	IF 1st Class	IF 2nd Class	IF Rule 25	IF 3rd Class	IF Rule 26	IF Rule 28	IF 4th Class	IF 5th Class	IF 6th Class

(Mail Address—Not for purposes of Delivery)

Consigned to .....

Destination .....State of .....County of .....

Route .....Car Initial .....Car No.....

NO. PACKAGES	DESCRIPTION OF ARTICLES AND SPECIAL MARKS	WEIGHT (Subject to Correction)	CLASS OR RATE	CHECK COLUMN

If charges are to be prepaid, write or stamp here, "To be Prepaid".

Received $.....
to apply in prepayment of the charges on the property described hereon.

Agent or Cashier.

Per .....
(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$.....

..... Shipper..... Agent.

Per..... Per.....

(This Bill of Lading is to be signed by the shipper and agent of the carrier issuing same.)

CHAPTER III.

SHIPPING PAPERS AND RECORDS.

§ 1. Shipping Order and Bill of Lading.

Of most importance under the above heading, of course, is the bill of lading, as it is the receipt which the carrier gives to the shipper for the merchandise to be transported. There are two principal forms of the bill of lading; one the "straight" bill of lading non-negotiable, and the other the "order" bill of lading which is a negotiable document and is uniformly printed on yellow paper. A "straight" bill of lading is a receipt subject to the classification and tariffs in effect on the date of the B/L, for the property as described, in apparent good order unless exception is made in the receipt of the condition of the merchandise, which the carrier agrees to transport to its place of delivery at destination if it is on his road; otherwise to deliver to such other carrier on the route to destination as it may be so instructed to do, which such other carrier shall in turn carry to destination in accordance with the terms and conditions which are printed on the reverse side of the bill of lading. These conditions are divided into ten sections, all of which should be carefully studied by the traffic man. A standard form of straight bill of lading, in effect on January 1, 1914, and which was approved by the Interstate Commerce Commission by order No. 787 of June 27, 1908, is inserted for reference.

CONDITIONS

Sec. 1. The carrier or party in possession of any of the property herein described shall be liable for any loss thereof or damage thereto, except as hereinafter provided.

No carrier or party in possession of any of the property herein described shall be liable for any loss thereof or damage thereto or delay caused by the act of God, the public enemy, quarantine, the authority of law, or the act or default of the shipper or owner, or for differences in the weights of grain, seed, or other commodities caused by natural shrinkage or discrepancies in elevator weights. For loss, damage, or delay caused by fire occurring after forty-eight hours (exclusive of legal holidays) after notice of the arrival of the property at destination or at port of export (if intended for export) has been duly sent or given, the carrier's liability shall be that of warehouseman only. Except in case of negligence of the carrier or party in possession (and the burden to prove freedom from such negligence shall be on the carrier or party in possession), the carrier or party in possession shall not be liable for loss, damage, or delay occurring while the property is stopped and held in transit upon request of the shipper, owner, or party entitled to make such request; or resulting from a defect or vice in the property or from riots or strikes. When in accordance with general custom, on account of the nature of the property, or when at the request of the shipper the property is transported in open cars, the carrier or party in possession (except in case of loss or damage by fire, in which case the liability shall be the same as though the property had been carried in closed cars) shall be liable only for negligence, and the burden to prove freedom from such negligence shall be on the carrier or party in possession.

Sec. 2. In issuing this bill of lading this company agrees to transport only over its own line, and except as otherwise provided by law acts only as agent with respect to the portion of the route beyond its own line.

No carrier shall be liable for loss, damage, or injury not occurring on its own road or its portion of the through route, nor after said property has been delivered to the next carrier, except as such liability is or may be imposed by law, but nothing contained in this bill of lading shall be deemed to exempt the initial carrier from any such liability so imposed.

Sec. 3. No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market, or otherwise than with reasonable dispatch, unless by specific agreement indorsed hereon. Every carrier shall have the right in case of physical necessity to forward said property by any railroad or route between the point of shipment and the point of destination; but if such diversion shall be from a rail to water route the liability of the carrier shall be the same as though the entire carriage were by rail.

The amount of any loss or damage for which any carrier is liable shall be computed on the basis of the value of the property at the place and time of shipment under this bill of lading, including the freight charges, if paid. Except in cases where the loss, damage, or injury complained of is due to delay or damage while being loaded or unloaded, or damaged in transit by carelessness or negligence, claims must be made in writing to the carrier at the point of delivery or at the point of origin within four months after delivery of the property, or in case of failure to make delivery, then within four months after a reasonable time for delivery has elapsed. Suits for recovery of claims for loss, damage or delay shall be instituted only within two years after delivery of the property, or in case of failure to make delivery, then within two years after a reasonable time for delivery has elapsed.

Any carrier or party liable on account of loss or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance.

Sec. 4. All property shall be subject to necessary cooperage and baling at owner's cost. Each carrier over whose route cotton is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. Grain in bulk consigned to a point where there is a railroad, public or licensed elevator, may (unless otherwise expressly noted herein, and then if it is not promptly unloaded) be there delivered and placed with other grain of the same kind and grade without respect to ownership, and if so delivered shall be subject to a lien for elevator charges in addition to all other charges hereunder.

Sec. 5. Property not removed by the party entitled to receive it within forty-eight hours (exclusive of legal holidays) after notice of its arrival has been duly sent or given, may be kept in car, depot, or place of delivery of the carrier, or warehouse, subject to a reasonable charge for storage and to carrier's responsibility as warehouseman only, or may be, at the option of the carrier, removed to and stored in a public or licensed warehouse at the cost of the owner and there held at the owner's risk and without liability on the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage.

The carrier may make a reasonable charge for the detention of any vessel or car, or for the use of tracks after the car has been held forty-eight hours (exclusive of legal holidays), for loading or unloading, and may add such charge to all other charges hereunder and hold such property subject to a lien therefor. Nothing in this section shall be construed as lessening the time allowed by law or as setting aside any local rule affecting car service or storage.

Property destined to or taken from a station, wharf, or landing at which there is no regularly appointed agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and when received from or delivered on private or other sidings, wharves, or landings, shall be at owner's risk until the cars are attached to and after they are detached from trains.

Sec. 6. No carrier will carry or be liable in any way for any documents, specie, or for any article of extraordinary value not specifically rated in the published classification of tariffs, unless a special agreement to do so and a stipulated value of the articles are indorsed hereon.

Sec. 7. Every party, whether principal or agent, shipping explosive or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for all loss or damage caused thereby, and such goods may be warehoused at owner's risk and expense or destroyed without compensation.

Sec. 8. The owner or consignee shall pay the freight and all other lawful charges accruing on said property, and, if required, shall pay the same before delivery. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

Sec. 9. Except in case of diversion from rail to water route, which is provided for in section 3 hereof, if all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to the liabilities, limitations, and exemptions provided by statute and to the conditions contained in this bill of lading not inconsistent with such statutes or this section, and subject also to the condition that no carrier or party in possession shall be liable for any loss or damage resulting from the perils of the lakes, sea, or other waters; or from explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery, or appurtenances; or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And any vessel carrying any or all of the property herein described shall have the liberty to call at intermediate ports, to tow and be towed, and assist vessels in distress, and to deviate for the purpose of saving life or property.

The term "water carriage" in this section shall not be construed as including lighterage across rivers or in lake or other harbors, and the liability for such lighterage shall be governed by the other sections of this instrument.

If the property is being carried under a tariff which provides that any carrier or carriers party thereto shall be liable for loss from perils of the sea, then as to such carrier or carriers the provisions of this section shall be modified in accordance with the provisions of the tariff, which shall be treated as incorporated into the conditions of this bill of lading.

Sec. 10. Any alteration, addition or erasure in this bill of lading which shall be made without an indorsement thereof hereon, signed by the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

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The shipping order issued at the same time as the bill of lading directs the carrier to receive and transport the consignment in accordance with the instructions given on the shipping order and bill of lading. The shipping order is retained by the agent of the carrier. Both the shipping order and bill of lading must be signed by the shipper or his authorized agent. A standard form of shipping order is inserted.

Unless otherwise provided when property is offered for shipment, it is transported subject to the provisions of the Official, Southern and Western classifications, the acceptance and use respectively of the uniform straight or order bill of lading, or if the property is for export, the export bill of lading, and uniform live stock contract in the event of the consignment consisting of live stock.

All articles which it is desired to ship in the Official Classification territory, other than under the terms of the bill of lading, are covered by Rule 1 of the Official Classification, which reads as follows:

Rule 1.

(A) In order that the consignor may have the option of shipping property, either subject to the terms and conditions of the Uniform Bill of Lading hereinafter set forth or under the liability imposed upon common carriers by the common law and the federal and state statutes applicable thereto, this Official Classification provides for different rates and for different forms of Bills of Lading to be used, respectively, as the consignor may elect to have a limited liability or a common carrier's liability service.

(B) Unless otherwise provided in this Classification, property will be carried at the reduced rate specified if shipped subject to all the terms and conditions of the Uniform Bill of Lading. If consignor elects not to accept all the terms and conditions of the Uniform Bill of Lad-

property had been carried in closed cars) shall be liable only for negligence, and the burden to prove freedom from such negligence shall be on the carrier or party in possession.

Sec. 2. In issuing this bill of lading this company agrees to transport only over its own line, and except as otherwise provided by law acts only as agent with respect to the portion of the route beyond its own line.

No carrier shall be liable for loss, damage, or injury not occurring on its own road or its portion of the through route, nor after said property has been delivered to the next carrier, except as such liability is or may be imposed by law, but nothing contained in this bill of lading shall be deemed to exempt the initial carrier from any such liability so imposed.

Sec. 3. No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch, unless by specific agreement indorsed hereon. Every carrier shall have the right in case of physical necessity to forward said property by any railroad or route between the point of shipment and the point of destination; but if such diversion shall be from a rail to water route the liability of the carrier shall be the same as though the entire carriage were by rail.

The amount of any loss or damage for which any carrier is liable shall be computed on the basis of the value of the property at the place and time of shipment under this bill of lading, including the freight charges, if paid. Except in cases where the loss, damage, or injury complained of is due to delay or damage while being loaded or unloaded, or damaged in transit by carelessness or negligence, claims must be made in writing to the carrier at the point of delivery or at the point of origin within four months after delivery of the property, or in case of failure to make delivery, then within four months after a reasonable time for delivery has elapsed. Suits for recovery of claims for loss, damage or delay shall be instituted only within two years after delivery of the property, or in case of failure to make delivery, then within two years after a reasonable time for delivery has elapsed.

Any carrier or party liable on account of loss or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance.

Sec. 4. All property shall be subject to necessary cooperage and baling at owner's cost. Each carrier over whose route cotton is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. Grain in bulk consigned to a point where there is a railroad, there is no regularly appointed agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and when received from or delivered on private or other sidings, wharves, or landings shall be at owner's risk until the cars are attached to and after they are detached from trains.

Sec. 6. No carrier will carry or be liable in any way for any documents, specie, or for any articles of extraordinary value not specifically rated in the published classification or tariffs, unless a special agreement to do so and a stipulated value of the articles are endorsed hereon.

Sec. 7. Every party, whether principal or agent, shipping explosives or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for all loss or damage caused thereby, and such goods may be warehoused at owner's risk and expense, or destroyed without compensation.

Sec. 8. The owner or consignee shall pay the freight and all other lawful charges accruing on said property, and, if required, shall pay the same before delivery. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

Sec. 9. Except in case of diversion from rail to water route, which is provided for in section 3 hereof, if all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to the liabilities, limitations, and exemptions provided by statute and to the conditions contained in this bill of lading not inconsistent with such statutes or this section, and subject also to the condition that no carrier or party in possession shall be liable for any loss or damage resulting from the perils of the lakes, sea, or other waters; or from explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery or appurtenances; or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And any vessel carrying any or all of the property herein described shall have the liberty to call at intermediate ports, to tow and be towed, and assist vessels in distress, and to deviate for the purpose of saving life or property.

The term "water carriage" in this section shall not be construed as including lighterage across rivers or in lake or other harbors, and the liability for such lighterage shall be governed by the other sections of this instrument.

Sec. 10. Any alteration, addition or erasure in this bill of lading which shall be made without an indorsement thereof hereon, signed by the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

★★Form E. D. 726. 10-13-10M Sets

For use in connection with the Standard form of Straight Bill of Lading approved by the Interstate Commerce Commission by Order No. 787 of June 27, 1908.

W. R. CROW,
GENERAL MANAGER
CHICAGO, ILL.

ERIE DESPATCH

ERIE RAILROAD

W. S. COWIE, G. E. F. A.
NEW YORK, N. Y.
TELEPHONE 2920 FRANKLIN

For Rates and other information apply at Office, 399 Broadway, New York, N. Y.

New York, N. Y.—Foot Duane St. (Piers 20 and 21, North River). Foot Coenties Slip (Pier 7, East River). 28th St. and 11th Ave. Foot of 49th St., North River. Harlem Terminal (135th St. and Park Ave., Bronx). 131st St. and North River (East Bound Only). Foot of West Houston St. (Pier 39). Foot of West Fortieth St. (Pier 80).

REGULAR FREIGHT STATIONS

Brooklyn, N. Y.—Brooklyn Eastern District Terminal, North 5th St. and Kent Ave. Jay St. Terminal, Foot of Bridge St. Fulton Terminal, C.L freight only, foot of Fulton St. Atlantic Terminal C.L freight only, foot of King St. Baltic Terminal, foot of Baltic St. Bush Docks, foot of 48th St. Pier 4, Wallabout basin.

Jersey City, N. J.—Pavonia Ave. between Provost and Barnum St.
Warren Street Station—B. E. D. Terminal.
Hoboken, N. J.—Fifth St. and North River.
Weehawken, N. J.—19th St. and Willow Ave.
Edgewater, N. J.

PRINCIPAL AGENCIES

Akron, O.	Chicago, Ill.	Dayton, O.	Kansas City, Mo.	New Haven, Conn.	Philadelphia, Pa.	San Francisco, Cal.	St. Paul, Minn.
Albany, N. Y.	Cincinnati, O.	Denver, Colo.	Los Angeles, Cal.	New York, N. Y.	Portland, Ore.	Seattle, Wash.	Spokane, Wash.
Baltimore, Md.	Cleveland, O.	Des Moines, Ia.	Louisville, Ky.	Oklahoma City, Okla.	Rochester, N. Y.	Sioux City, Ia.	Springfield, O.
Birmingham, Ala.	Columbus, O.	Detroit, Mich.	Memphis, Tenn.	Omaha, Neb.	Saginaw, Mich.	St. Joseph, Mo.	Toledo, O.
Boston, Mass.	Davenport, Ia.	Grand Rapids, Mich.	Milwaukee, Wis.	Peoria, Ill.	Salt Lake City, Utah.	St. Louis, Mo.	Winnipeg, Man.
Buffalo, N. Y.		Indianapolis, Ind.	Minneapolis, Minn.				

THIS SHIPPING ORDER must be legibly filled in, in Ink, in Indelible Pencil, or in Carbon, and retained by the Agent.

Shippers No. _____

Agents No. _____

RECEIVE, subject to the classifications and tariffs in effect on the date of issue of this Shipping Order.

at NEW YORK, N. Y.,..... *191....*,

from ..... the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown,) marked, consigned and destined as indicated below, which said Company agrees to carry to its usual place of delivery at said destination, if on its road, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions, whether printed or written, herein contained (including conditions on back hereof) and which are agreed to by the shipper and accepted for himself and his assigns.

The Rate of Freight from.....

to .....*is in Cents per 100 Lbs.*

IF Times 1st	IF 1st Class	IF 2d Class	IF Rule 25	IF 3d Class	IF Rule 26	IF Rule 28	IF 4th Class	IF 5th Class	IF 6th Class	IF Special per.....	IF Special per

(Mail Address—Not for purposes of Delivery)

Consigned to .....

Destination .....State of .....County of .....

Route .....Car Initial .....Car No.....

NO PACKAGES	DESCRIPTION OF ARTICLES AND SPECIAL MARKS	WEIGHT (Subject to Correction)	CLASS OR RATE	CHECK COLUMN

If charges are to be prepaid, write or stamp here, "To be Prepaid."

.....

Received $.....
to apply in prepayment of the charges on the property described hereon.

....
Agent or Cashier.

Per .....
(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$.....

..... Shipper.

Per .....

☞ **Agent must detach and retain this Shipping Order and must sign the Original Bill of Lading.**

ing, he should so notify the agent of the forwarding carrier at the time his property is offered for shipment. If he does not give such notice, it will be understood that he desires his property carried subject to the terms and conditions of the Uniform Bill of Lading in order to secure the reduced rate.

(C) Property carried not subject to all the terms and conditions of the Uniform Bill of Lading will be at the carrier's liability, limited only as provided by common law and by the Laws of the United States and of the several states in so far as they apply, but subject to the terms and conditions of the Uniform Bill of Lading in so far as they are not inconsistent with such common carrier's liability, and the rate charged therefor will be ten per cent (10 %) higher (subject to a minimum increase of one (1) cent per one hundred pounds) than the rate charged for property shipped subject to all the terms and conditions of the Uniform Bill of Lading. (See note.)

(D) When the consignor gives notice to the agent of the forwarding carrier that he elects not to accept all the terms and conditions of the Uniform Bill of Lading, but desires a carrier's liability service at the higher rate charged for that service, the carrier must print, write or stamp upon the Bill of Lading a clause reading: "In consideration of the higher rate charged, the property herein described will be carried at the carrier's liability, limited only as provided by law, but subject to the terms and conditions of the Uniform Bill of Lading in so far as they are not inconsistent with such common carrier's liability."

(E) The cost of insurance against marine risk will not be assumed by carriers unless specifically provided for in tariffs.

Note—In computing the rate to be charged upon property shipped not subject to the terms and conditions of the Uniform Bill of Lading, ten (10) per cent of the reduced rate shall be added thereto (subject to a minimum increase of one (1) cent per one hundred pounds). If the result includes a fraction of one cent, it shall be expressed decimally in tenths of one cent; for example, if the reduced rate is twenty-one (21) cents per one hun-

CONDITIONS

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Sec. 5. Property not removed by the party entitled to receive it within forty-eight hours (exclusive of legal holidays) after a notice of its arrival has been duly sent or given may be kept in car, depot, or place of delivery of the carrier, or warehouse, subject to a reasonable charge for storage and to carrier's responsibility as warehouseman only, or may be, at the option of the carrier, removed to and stored in a public or licensed warehouse at the cost of the owner and there held at the owner's risk and without liability on the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage.

The carrier may make a reasonable charge for the detention of any vessel or car, or for the use of tracks after the car has been held forty-eight hours (exclusive of legal holidays), for loading or unloading, and may add such charge to all other charges hereunder and hold such property subject to a lien therefor. Nothing in this section shall be construed as lessening the time allowed by law or as setting aside any local rule affecting car service or storage.

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ERIE DESPATCH

PRINCIPAL AGENCIES

Akron, O.	Cedar Rapids, Ia.	Davenport, Ia.	Indianapolis, Ind.	Minneapolis, Minn.	Peoria, Ill.	Salt Lake City, Utah.	St. Louis, Mo.
Albany, N. Y.	Chicago, Ill.	Dayton, O.	Kansas City, Mo.	New Haven, Conn.	Philadelphia, Pa.	San Francisco, Cal.	St. Paul, Minn.
Baltimore, Md.	Cincinnati, O.	Denver, Colo.	Los Angeles, Cal.	New York, N. Y.	Portland, Ore.	Seattle, Wash.	Spokane, Wash.
Birmingham, Ala.	Cleveland, O.	Des Moines, Ia.	Louisville, Ky.	Oklahoma City, Okla.	Rochester, N. Y.	Sioux City, Ia.	Springfield, O.
Boston, Mass.	Columbus, O.	Detroit, Mich.	Memphis, Tenn.	Omaha, Neb.	Saginaw, Mich.	St. Joseph, Mo.	Toledo, O.
Buffalo, N. Y.	Dallas, Tex.	Grand Rapids, Mich.	Milwaukee, Wis.				

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dred pounds the rate to be charged when shipped not subject to the terms and conditions of the Uniform Bill of Lading will be twenty-three and one-tenth (23.1) cents per one hundred pounds; if the reduced rate be sixteen and one-half (16½) cents per one hundred pounds, the higher rate will be eighteen and one-tenth (18.1) cents per one hundred pounds; if the reduced rate is ten (10) cents per one hundred pounds, the higher rate will be eleven (11) cents per one hundred pounds; if the reduced rate is four (4) cents per one hundred pounds, the increase will be the minimum increase of one (1) cent per one hundred pounds, and the higher rate to be charged will be five (5) cents per one hundred pounds.

In the Western and Southern Classification territories the same rules hold good and the same general provisions apply.

Exporters will find a careful study of the export bill of lading advantageous and a form is inserted.

Shippers of live stock will use the uniform live stock contract here inserted.

The "order" bill of lading contains practically the same conditions, with the exception that when shipment is consigned to the order of the owner the bill of lading must be properly endorsed by the owner and surrendered before delivery of the property will be made by the carrier. Inspection by consignee of property covered by an order bill of lading is not permitted unless provided by law or unless permission is endorsed on the original bill of lading or given in writing by the shipper. The "order" bill of lading is used in shipping goods sold on draft against shipping documents, and where the bill of lading is required for negotiable purposes. Copy of this bill of lading, together with shipping order is inserted.

This bill of lading is the contract under which the carrier agrees to transport the shipment from originating point to

ENDORSEMENTS

CONDITIONS

Sec. 1. The carrier or party in possession of any of the property herein described shall be liable for any loss thereof or damage thereto, except as hereinafter provided.

No carrier or party in possession of any of the property herein described shall be liable for any loss thereof or damage thereto or delay caused by the act of God, the public enemy, quarantine, the authority of law, or the act or default of the shipper or owner, or for differences in the weights of grain, seed, or other commodities caused by natural shrinkage or discrepancies in elevator weights. For loss, damage, or delay caused by fire occurring after forty-eight hours (exclusive of legal holidays) after notice of the arrival of the property at destination or at port of export (if intended for export) has been duly sent or given, the carrier's liability shall be that of warehouseman only. Except in case of negligence of the there is a railroad, public, or licensed elevator, may (unless otherwise expressly noted herein, and then if it is not promptly unloaded) be there delivered and placed with other grain of the same kind and grade without respect to ownership, and if so delivered shall be subject to a lien for elevator charges in addition to all other charges hereunder.

Sec. 5. Property not removed by the party entitled to receive it within forty-eight hours (exclusive of legal holidays) after a notice of its arrival has been duly sent or given may be kept in car, depot, or place of delivery of the carrier, or warehouse, subject to a reasonable charge for storage and to carrier's responsibility as warehouseman only, or may be, at the option of the carrier, removed to and stored in a public or licensed warehouse at the cost of the owner and there held at the owner's risk and without liability on the part of the carrier, and subject to a lien for all

Property shipped under common carrier's liability will be carried under the terms set forth in Rule 1 of this Classification

Uniform Live Stock Contract—Adopted by Carriers in Official Classification Territory Effective January 1, 1916.

This form of contract to be used for shipments of Live Stock and Wild Animals instead of Uniform Bill of Lading.

COMPANY.

UNIFORM LIVE STOCK CONTRACT — NOT NEGOTIABLE.

.....Station.....191.

THIS AGREEMENT, made this.....day of.....191....., by and between the

..... *COMPANY*, and

.....*(Shipper's name)*

WITNESSETH, That the carrier has received from the shipper, subject to the classifications and tariffs in effect on the date of issue of this agreement, the live stock described below, in apparent good order, except as noted, consigned and destined as indicated below, which the carrier agrees to carry to its usual place of delivery at said destination, if on its road, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said live stock over all or any portion of said route to destination, and as to each party at any time interested in all or any of said live stock, that every service to be performed and every liability incurred in connection with said shipment shall be subject to all the conditions, whether printed or written, herein contained (including conditions on back hereof) and which are agreed to by the shipper and accepted for himself and his assigns.

Different rates of freight are in effect for live stock of different values. The rate applicable to the shipment hereunder is determined by its value. The value is stated by the shipper as follows. (NOTE: If the value is higher than as printed below erase and insert proper value.)

If Horses, Mules or Donkeys—not exceeding two hundred fifty.....dollars each.

If Steers or Bulls—not exceeding one hundred fifty.....dollars each.

If Cows—not exceeding one hundred.....dollars each.

If Calves or Hogs—not exceeding twenty-five.....dollars each.

If Sheep, Lambs or Goats—not exceeding ten.....dollars each.

If Mare and Foal together (Foal six months old or under)—not exceeding two hundred fifty..... dollars for each two animals.

If Cow and Calf together (Calf six months old or under)—not exceeding one hundred..... dollars for each two animals.

If Wild Animals—not exceeding two hundred fifty.....dollars each.

Consigned to .....

Destination.....State of .....County of.....

Route .....

Car Initials and Numbers.....

.....

Number and Description of Stock. (Shipper's Load and Count.)	Weight. (Subject to Correction.)	Rate of Freight. Per 100 lbs.	If charges are to be prepaid, write or stamp here, "To be prepaid."
			.....
			Received $.....
			to apply in prepayment of the charges on the property described hereon.
			.....
			Agent or Cashier.
			Per.....
			(The signature here acknowledges only the amount prepaid.)
			Charges Advanced: $.....

The.....Company.

By.....Agent.

Witness my hand.....Shipper.

By.....Shipper's Agent.

.....

.....Witness.

OFFICIAL CLASSIFICATION No. 43

READ RULES AND SPECIAL INSTRUCTIONS CAREFULLY

Property shipped under common carrier's liability will be carried under the terms set forth in Rule 1 of this Classification

CONTRACT WITH MAN OR MEN IN CHARGE OF LIVE STOCK.

.....Station.....191....

In consideration of the carriage of the undersigned upon a freight train in charge of the live stock mentioned in the within contract, whether with or without charge for such carriage, each one of the undersigned severally hereby voluntarily assumes all risk of accident or damage to his person or property, and hereby releases and discharges each and every carrier from every claim, liability, or demand of any kind for or on account of any personal injury or damage of any kind sustained by him, whether the same be caused by the negligence of such carrier or any of its employees or otherwise; and agrees that whenever he shall leave the caboose and pass over or along the cars or track, he will do so at his own risk of personal injury, from whatever cause, and that no carrier shall be required to stop or start its train or caboose cars at or from the depots or platforms, or to furnish light for his accommodation or safety.

.....
.....
.....
.....
} Signature of Man or Men in Charge.

.....Witness.

CONDITIONS.

SEC. 1. No carrier of any of the live stock herein described shall be liable for any loss thereof or damage thereto or delay caused by the act of God, the public enemy, quarantine, the authority of law, or the act or default of the shipper or owner, nor except in case of its negligence by riots, strikes or stoppage of labor, or resulting from causes beyond its control.

Unless caused by the negligence of the carrier or its employees, no carrier shall be liable for or on account of any injury or death sustained by said live stock occasioned by any or either of the following causes: overloading, crowding one upon another, kicking or goring, suffocation, fright, burning of hay or straw or other material used for feeding or bedding, fire from any cause whatever, heat, cold, changes in weather, delay caused by stress of weather or obstruction of track.

SEC. 2. In issuing this contract this company agrees to transport only over its own line, and except as otherwise provided by law, acts only as agent with respect to the portion of the route beyond its own line. No carrier shall be liable for loss, damage, delay or injury not occurring on its own road, or its portion of the through route, nor after said live stock has been delivered to the next carrier, except as such liability is or may be imposed by law, but nothing contained in this contract shall be deemed to exempt the initial carrier from any such liability so imposed.

SEC. 3. No carrier is bound to transport said live stock by any particular train or vessel, or in time for any particular market, or otherwise than with reasonable despatch. Every carrier shall have the right in case of physical necessity to forward said live stock by any railroad or route between the point of shipment and the point of destination; but if such diversion shall be from a rail to a water route the liability of the carrier shall be the same as though the entire carriage were by rail.

The amount of any loss or damage for which any carrier is liable shall be computed on the basis of the value of the live stock at the place and time of shipment under this contract, including the freight charges, if paid, but shall in no case exceed the amounts stated herein by the shipper.

Except in cases where the loss, damage or injury complained of is due to delay or damage while being loaded or unloaded, or damaged in transit by carelessness or negligence, claims must be made in writing to the carrier at the point of delivery or at the point of origin within four months after delivery of the live stock, or, in case of failure to make delivery, then within four months after a reasonable time for delivery has elapsed. Suits for recovery of claims for loss, damage or delay shall be instituted only within two years after delivery of the live stock, or, in case of failure to make delivery, then within two years after a reasonable time for delivery has elapsed.

Any carrier or party liable on account of loss of or damage to any of said live stock shall have the full benefit of any insurance that may have been effected upon or on account of said live stock, so far as this shall not avoid the policies or contracts of insurance.

SEC. 4. The owner or consignee shall pay the freight and all other lawful charges accruing on said shipment, and, if required, shall pay the same before delivery.

SEC. 5. The shipper at his own risk and expense shall load and unload said live stock, and, in case any person shall accompany said live stock in charge of the same, take care of, feed and water said live stock while being transported, whether delayed in transit or otherwise, and see that all doors and openings in said car or cars are at all times so closed and fastened as to prevent the escape therefrom of any of said live stock.

SEC. 6. The shipper shall inspect the body of the car or cars in which said live stock is to be transported, and satisfy himself that they are sufficient and safe, and in proper order and condition, and no carrier shall be liable on account of any loss of or injury to said live stock occurring by reason of any insufficiency in or defective condition of the body of said car or cars, which reasonably could have been discovered by the shipper.

SEC. 7. Any person accompanying said live stock in charge of the same, leaving the caboose and passing over or along the cars or track, shall do so at his own risk of personal injury from any cause whatever, and no carrier shall be required to stop or start its trains or caboose cars at or from the depots or platforms, or to furnish lights for the accommodation or safety of any person accompanying said live stock.

SEC. 8. Any alteration, addition, or erasure in this contract which shall be made without an indorsement thereof hereon, signed by the agent of the carrier issuing this agreement, shall be without effect, and this agreement shall be enforceable according to its original tenor.

★★Form E. D. 726-A—5-12—2,000 Sets

For use in connection with the Standard form of Order Bill of Lading approved by the Interstate Commerce Commission by Order No. 787 of June 27, 1908.

W. R. CROW,
GENERAL MANAGER,
CHICAGO, ILL.

ERIE DESPATCH

W. S. COWIE, G. E. F. A.
NEW YORK, N. Y.
TELEPHONE 2920 FRANKLIN

For Rates and other information apply at Office, 399 Broadway, New York, N. Y.

Operated by

Erie Railroad	Chicago, Indiana & Southern	Delaware & Hudson Co.	Lehigh Valley	New York Central & Hudson River (Pa. Div'n)	Philadelphia & Reading
Boston & Maine	Cincinnati, Hamilton & Dayton	Elgin, Joliet & Eastern	Louisville & Nashville	New York, New Haven & Hartford	Wabash
Central Railroad of New Jersey	Cleveland, Cincinnati, Chicago & St. Louis	Evansville & Terre Haute	Michigan Central	Pere Marquette	Wheeling & Lake Erie

New York, N. Y.—Foot Duane St. (Piers 20 and 21, North River). Foot Coenties Slip (Pier 7, East River). 28th St. and 11th Ave. Foot of 49th St., North River. Harlem Terminal (135th St. and Park Ave., Bronx). 131st St. and North River (East Bound Only).

REGULAR FREIGHT STATIONS

Brooklyn, N. Y.—Brooklyn Eastern District Terminal, North 5th St. and Kent Ave. Jay St. Terminal, foot of Bridge St. Fulton Terminal, C L freight only, foot of Fulton St. Atlantic Terminal, C/L freight only, foot of King St. Baltic Terminal, foot of Baltic St. Bush Docks, foot of 48th St. Pier 4, Wallabout Basin.

Jersey City, N. J.—Pavonia Ave. between Provost and Barnum St.
Warren Street Station—B. E. D. Terminal.
Hoboken, N. J.—Fifth St. and North River.
Weehawken, N. J.—19th St. and Willow Ave.
Edgewater, N. J.

THIS SHIPPING ORDER must be legibly filled in, in Ink, in Indelible Pencil, or in Carbon, and retained by the Agent.

Shippers No. _____

Agents No. _____

RECEIVE, subject to the classifications and tariffs in effect on the date of issue of this Shipping Order,

at NEW YORK, N. Y.,.....19....,

from ..... the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown,) marked, consigned and destined as indicated below, which said Company agrees to carry to its usual place of delivery at said destination, if on its road, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions, whether printed or written, herein contained (including conditions on back hereof) and which are agreed to by the shipper and accepted for himself and his assigns.

The surrender of the Original ORDER Bill of Lading properly indorsed shall be required before the delivery of the property. Inspection of property covered by the bill of lading will not be permitted unless provided by law or unless permission is indorsed on the original bill of lading or given in writing by the shipper.

The Rate of Freight from.....

to .....*is in Cents per 100 Lbs.*

IF..Times 1st	IF 1st Class	IF 2d Class	IF Rule 25	IF 3d Class	IF Rule 26	IF Rule 28	IF 4th Class	IF 5th Class	IF 6th Class	IF Special per..	IF Special per..... .....

(Mail Address—Not for purposes of Delivery)

Consigned to *ORDER OF*.....

Destination .....State of .....County of .....

Notify .....

At .....State of .....County of .....

Route .....Car Initial .....Car No. .....

NO. PACKAGES	DESCRIPTION OF ARTICLES AND SPECIAL MARKS	WEIGHT (Subject to Correction)	CLASS OR RATE	CHECK COLUMN

If charges are to be prepaid, write or stamp here, "To be Prepaid".

.....

Received $..... to apply in prepayment of the charges on the property described hereon.

.....
Agent or Cashier.

Per .....
(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$.....

..... Shipper.

Per.....

☞**Agent must detach and retain this Shipping Order and must sign the Original Bill of Lading.**

CONDITIONS

Sec. 1. The carrier or party in possession of any of the property herein described shall be liable for any loss thereof or damage thereto, except as hereinafter provided.

No carrier or party in possession of any of the property herein described shall be liable for any loss thereof or damage thereto or delay caused by the act of God, the public enemy, quarantine, the authority of law, or the act or default of the shipper or owner, or for differences in the weights of grain, seed or other commodities caused by natural shrinkage or discrepancies in elevator weights. For loss, damage, or delay caused by fire occurring after forty-eight hours (exclusive of legal holidays) after notice of the arrival of the property at destination or at port of export (if intended for export) has been duly sent or given, the carrier's liability shall be that of warehouseman only. Except in case of negligence of the carrier or party in possession (and the burden to prove freedom from such negligence shall be on the carrier or party in possession), the carrier or party in possession shall not be liable for loss, damage, or delay occurring while the property is stopped and held in transit upon request of the shipper, owner, or party entitled to make such request; or resulting from a defect or vice in the property or from riots or strikes. When in accordance with general custom, on account of the nature of the property, or when at the request of the shipper the property is transported in open cars, the carrier or party in possession (except in case of loss or damage by fire, in which case the liability shall be the same as though the property had been carried in closed cars) shall be liable only for negligence, and the burden to prove freedom from such negligence shall be on the carrier or party in possession.

Sec. 2. In issuing this bill of lading this company agrees to transport only over its own line, and except as otherwise provided by law acts only as agent with respect to the portion of the route beyond its own line.

No carrier shall be liable for loss, damage, or injury not occurring on its own road, or its portion of the through route, nor after said property has been delivered to the next carrier, except as such liability is or may be imposed by law, but nothing contained in this bill of lading shall be deemed to exempt the initial carrier from any such liability so imposed.

Sec. 3. No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch, unless by specific agreement indorsed hereon. Every carrier shall have the right in case of physical necessity to forward said property by any railroad or route between the point of shipment and the point of destination; but if such diversion shall be from a rail to water route the liability of the carrier shall be the same as though the entire carriage were by rail.

The amount of any loss or damage for which any carrier is liable shall be computed on the basis of the value of the property at the place and time of shipment under this bill of lading, including the freight charges, if paid. Except in cases where the loss, damage, or injury complained of is due to delay or damage while being loaded or unloaded, or damaged in transit by carelessness or negligence, claims must be made in writing to the carrier at the point of delivery or at the point of origin within four months after delivery of the property, or in case of failure to make delivery, then within four months after a reasonable time for delivery has elapsed. Suits for recovery of claims for loss, damage or delay shall be instituted only within two years after delivery of the property, or in case of failure to make delivery, then within two years after a reasonable time for delivery has elapsed.

Any carrier or party liable on account of loss or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance.

Sec. 4. All property shall be subject to necessary cooperage and baling at owner's cost. Each carrier over whose route cotton is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. Grain in bulk consigned to a point where there is a railroad, public, or licensed elevator, may (unless otherwise expressly noted herein, and then if it is not promptly unloaded) be there delivered and placed with other grain of the same kind and grade without respect to ownership, and if so delivered shall be subject to a lien for elevator charges in addition to all other charges hereunder.

Sec. 5. Property not removed by the party entitled to receive it within forty-eight hours (exclusive of legal holidays) after a notice of its arrival has been duly sent or given may be kept in car, depot, or place of delivery of the carrier, or warehouse, subject to a reasonable charge for storage and to carrier's responsibility as warehouseman only, or may be, at the option of the carrier, removed to and stored in a public or licensed warehouse at the cost of the owner and there held at the owner's risk and without liability on the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage.

The carrier may make a reasonable charge for the detention of any vessel or car, or for the use of tracks after the car has been held forty-eight hours (exclusive of legal holidays), for loading or unloading, and may add such charge to all other charges hereunder and hold such property subject to a lien therefor. Nothing in this section shall be construed as lessening the time allowed by law or as setting aside any local rule affecting car service or storage.

Property destined to or taken from a station, wharf, or landing at which there is no regularly appointed agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and when received from or delivered on private or other sidings, wharves, or landings shall be at owner's risk until the cars are attached to and after they are detached from trains.

Sec. 6. No carrier will carry or be liable in any way for any documents, specie, or for any articles of extraordinary value not specifically rated in the published classification or tariffs, unless a special agreement to do so and a stipulated value of the articles are endorsed hereon.

Sec. 7. Every party, whether principal or agent, shipping explosive or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for all loss or damage caused thereby, and such goods may be warehoused at owner's risk and expense, or destroyed without compensation.

Sec. 8. The owner or consignee shall pay the freight and all other lawful charges accruing on said property, and, if required, shall pay the same before delivery. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

Sec. 9. Except in case of diversion from rail to water route, which is provided for in section 3 hereof, if all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to the liabilities, limitations, and exemptions provided by statute and to the conditions contained in this bill of lading not inconsistent with such statutes or this section, and subject also to the condition that no carrier or party in possession shall be liable for any loss or damage resulting from the perils of the lakes, sea, or other waters; or from explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery or appurtenances; or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And any vessel carrying any or all of the property herein described shall have the liberty to call at intermediate ports, to tow and be towed, and assist vessels in distress, and to deviate for the purpose of saving life or property.

The term "water carriage" in this section shall not be construed as including lighterage across rivers or in lake or other harbors, and the liability for such lighterage shall be governed by the other sections of this instrument.

If the property is being carried under a tariff which provides that any carrier or carriers party thereto shall be liable for loss from perils of the sea, then as to such carrier or carriers the provisions of this section shall be modified in accordance with the provisions of the tariff, which shall be treated as incorporated into the conditions of this Bill of Lading.

Sec. 10. Any alteration, addition or erasure in this bill of lading which shall be made without an indorsement thereof hereon, signed by the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

** Form E D. 726-A—5-12—2,000 Sets

Uniform Bill of Lading—Standard form of Order Bill of Lading approved by the Interstate Commerce Commission by Order No. 787 of June 27, 1908.

W. R. CROW,
GENERAL MANAGER,
CHICAGO, ILL.

ERIE DESPATCH

W. S. COWIE, G. E. F. A.
NEW YORK, N. Y.
TELEPHONE 2920 FRANKLIN

For Rates and other information apply at Office, 399 Broadway, New York, N. Y.

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Erie Railroad
Boston & Maine
Central Railroad of New Jersey
Chicago, Indiana & Southern
Cincinnati, Hamilton & Dayton
Cleveland, Cincinnati, Chicago & St. Louis
Delaware & Hudson Co.
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Evansville & Terre Haute
Lehigh Valley
Louisville & Nashville
Michigan Central
New York Central & Hudson River (Pa. Div'o)
New York, New Haven & Hartford
Pere Marquette
Philadelphia & Reading
Wabash
Wheeling & Lake Erie

New York, N. Y.—Foot Duane St. (Piers 20 and 21, North River). Foot Coenties Slip (Pier 7, East River). 28th St. and 11th Ave., Foot of 49th St., North River. Harlem Terminal (135th St. and Park Ave., Bronx). 131st St. and North River (East Bound Only).

REGULAR FREIGHT STATIONS

Brooklyn, N. Y.—Brooklyn Eastern District Terminal, North 5th St. and Kent Ave. Jay St. Terminal, foot of Bridge St. Fulton Terminal, C L freight only, foot of Fulton St. Atlantic Terminal, C L freight only, foot of King St. Baltic Terminal, foot of Baltic St. Bush Docks, foot of 48th St. Pier 4, Wallabout Basin.

Jersey City, N. J.—Pavonia Ave. between Provost and Barnum St.
Warren Street Station—B. E. D. Terminal.
Hoboken, N. J.—Fifth St. and North River.
Weehawken, N. J.—19th St. and Willow Ave.
Edgewater, N. J.

ORDER BILL OF LADING—ORIGINAL

Shippers No. _____

Agents No. _____

RECEIVED, subject to the classifications and tariffs in effect on the date of issue of this Original Bill of Lading.

at NEW YORK, N. Y.,.....19...,

from ..... the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown,) marked, consigned and destined as indicated below, which said Company agrees to carry to its usual place of delivery at said destination, if on its road, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions, whether printed or written, herein contained (including conditions on back hereof) and which are agreed to by the shipper and accepted for himself and his assigns.

The surrender of this Original ORDER Bill of Lading properly indorsed shall be required before the delivery of the property. Inspection of property covered by this bill of lading will not be permitted unless provided by law or unless permission is indorsed on this original bill of lading or given in writing by the shipper.

The Rate of Freight from.....

to .....*is in Cents per 100 Lbs.*

IF..Times 1st	IF 1st Class	IF 2nd Class	IF Rule 25	IF 3rd Class	IF Rule 26	IF Rule 28	IF 4th Class	IF 5th Class	IF 6th Class	IF Special per.....	IF Special per.....

(Mail Address—Not for purposes of Delivery)

Consigned to *ORDER OF*.....

Destination ..... State of .....County of .....

Notify .....

At ..... State of .....County of .....

Route .....Car Initial .....Car No. .....

NO. PACKAGES	DESCRIPTION OF ARTICLES AND SPECIAL MARKS	WEIGHT (Subject to Correction)	CLASS OR RATE	CHECK COLUMN

If charges are to be prepaid, write or stamp here, "To be Prepaid".

.....

Received $.....
to apply in prepayment of the charges on the property described hereon.

.....
Agent or Cashier.

Per .....
(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$.....

..... Shipper. ..... Agent.

Per..... Per.....

(This Bill of Lading is to be signed by the shipper and agent of the carrier issuing same.)

ENDORSEMENTS

CONDITIONS

Sec. 1. The carrier or party in possession of any of the property herein described shall be liable for any loss thereof or damage thereto, except as hereinafter provided.

No carrier or party in possession of any of the property herein described shall be liable for any loss thereof or damage thereto or delay caused by the act of God, the public enemy, quarantine, the authority of law, or the act or default of the shipper or owner, or for differences in the weights of grain, seed, or other commodities caused by natural shrinkage or discrepancies in elevator weights. For loss, damage, or delay caused by fire occurring after forty-eight hours (exclusive of legal holidays) after notice of the arrival of the property at destination or at port of export (if intended for export) has been duly sent or given, the carrier's liability shall be that of warehouseman only. Except in case of negligence of the carrier or party in possession (and the burden to prove freedom from such negligence shall be on the carrier or party in possession), the carrier or party in possession shall not be liable for loss, damage, or delay occurring while the property is stopped and held in transit upon request of the shipper, owner, or party entitled to make such request; or resulting from a defect or vice in the property or from riots or strikes. When in accordance with general custom, on account of the nature of the property, or when at the request of the shipper the property is transported in open cars, the carrier or party in possession (except in case of loss or damage by fire, in which case the liability shall be the same as though the property had been carried in closed cars) shall be liable only for negligence, and the burden to prove freedom from such negligence shall be on the carrier or party in possession.

Sec. 2. In issuing this bill of lading this company agrees to transport only over its own line, and except as otherwise provided by law acts only as agent with respect to the portion of the route beyond its own line.

No carrier shall be liable for loss, damage, or injury not occurring on its own road or its portion of the through route, nor after said property has been delivered to the next carrier, except as such liability is or may be imposed by law, but nothing contained in this bill of lading shall be deemed to exempt the initial carrier from any such liability so imposed.

Sec. 3. No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch, unless by specific agreement indorsed hereon. Every carrier shall have the right in case of physical necessity to forward said property by any railroad or route between the point of shipment and the point of destination; but if such diversion shall be from a rail to water route the liability of the carrier shall be the same as though the entire carriage were by rail.

The amount of any loss or damage for which any carrier is liable shall be computed on the basis of the value of the property at the place and time of shipment under this bill of lading, including the freight charges, if paid. Except in cases where the loss, damage, or injury complained of is due to delay or damage while being loaded or unloaded, or damaged in transit by carelessness or negligence, claims must be made in writing to the carrier at the point of delivery or at the point of origin within four months after delivery of the property, or in case of failure to make delivery, then within four months after a reasonable time for delivery has elapsed. Suits for recovery of claims for loss, damage or delay shall be instituted only within two years after delivery of the property, or in case of failure to make delivery, then within two years after a reasonable time for delivery has elapsed.

Any carrier or party liable on account of loss or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance.

Sec. 4. All property shall be subject to necessary cooperage and baling at owner's cost. Each carrier over whose route cotton is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. Grain in bulk consigned to a point where there is a railroad, public, or licensed elevator, may (unless otherwise expressly noted herein, and then if it is not promptly unloaded) be there delivered and placed with other grain of the same kind and grade without respect to ownership, and if so delivered shall be subject to a lien for elevator charges in addition to all other charges hereunder.

Sec. 5. Property not removed by the party entitled to receive it within forty-eight hours (exclusive of legal holidays) after a notice of its arrival has been duly sent or given may be kept in car, depot, or place of delivery of the carrier, or warehouse, subject to a reasonable charge for storage and to carrier's responsibility as warehouseman only, or may be, at the option of the carrier, removed to and stored in a public or licensed warehouse at the cost of the owner and there held at the owner's risk and without liability on the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage.

The carrier may make a reasonable charge for the detention of any vessel or car, or for the use of tracks after the car has been held forty-eight hours (exclusive of legal holidays), for loading or unloading, and may add such charge to all other charges hereunder and hold such property subject to a lien therefor. Nothing in this section shall be construed as lessening the time allowed by law or as setting aside any local rule affecting car service or storage.

Property destined to or taken from a station, wharf, or landing at which there is no regularly appointed agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and when received from or delivered on private or other sidings, wharves, or landings shall be at owner's risk until the cars are attached to and after they are detached from trains.

Sec. 6. No carrier will carry or be liable in any way for any documents, specie, or for any articles of extraordinary value not specifically rated in the published classification or tariffs, unless a special agreement to do so and a stipulated value of the articles are endorsed hereon.

Sec. 7. Every party, whether principal or agent, shipping explosive or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for all loss or damage caused thereby, and such goods may be warehoused at owner's risk and expense, or destroyed without compensation.

Sec. 8. The owner or consignee shall pay the freight and all other lawful charges accruing on said property, and, if required, shall pay the same before delivery. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

Sec. 9. Except in case of diversion from rail to water route, which is provided for in section 3 hereof, if all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to the liabilities, limitations, and exemptions provided by statute and to the conditions contained in this bill of lading not inconsistent with such statutes or this section, and subject also to the condition that no carrier or party in possession shall be liable for any loss or damage resulting from the perils of the lakes, sea, or other waters; or from explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery or appurtenances; or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And any vessel carrying any or all of the property herein described shall have the liberty to call at intermediate ports, to tow and be towed, and assist vessels in distress, and to deviate for the purpose of saving life or property.

The term "water carriage" in this section shall not be construed as including lighterage across rivers or in lake or other harbors, and the liability for such lighterage shall be governed by the other sections of this instrument.

Sec. 10. Any alteration, addition or erasure in this bill of lading which shall be made without an indorsement thereof hereon, signed by the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

ERIE DESPATCH

PRINCIPAL AGENCIES

Akron, O.	Cedar Rapids, Ia.	Davenport, Ia.	Indianapolis, Ind.	Minneapolis, Minn.	Peoria, Ill.	Salt Lake City, Utah	St. Louis, Mo.
Albany, N. Y.	Chicago, Ill.	Dayton, O.	Kansas City, Mo.	New Haven, Conn.	Philadelphia, Pa.	San Francisco, Cal.	St. Paul, Minn.
Baltimore, Md.	Cincinnati, O.	Denver, Colo.	Los Angeles, Cal.	New York, N. Y.	Portland, Ore.	Seattle, Wash.	Spokane, Wash.
Birmingham, Ala.	Cleveland, O.	Des Moines, Ia.	Louisville, Ky.	Oklahoma City, Okla.	Rochester, N. Y.	Sioux City, Ia.	Springfield, O.
Boston, Mass.	Columbus, O.	Detroit, Mich.	Memphis, Tenn.	Omaha, Neb.	Saginaw, Mich.	St. Joseph, Mo.	Toledo, O.
Buffalo, N. Y.	Dallas, Tex.	Grand Rapids, Mich.	Milwaukee, Wis.				

when at the request of the shipper the property is transported in open cars, the carrier or party in possession (except in case of loss or damage by fire, in which case the liability shall be the same as though the property had been carried in closed cars) shall be liable only for negligence, and the burden to prove freedom from such negligence shall be on the carrier or party in possession.

Sec. 2. In issuing this bill of lading this company agrees to transport only over its own line, and except as otherwise provided by law acts only as agent with respect to the portion of the route beyond its own line.

No carrier shall be liable for loss, damage, or injury not occurring on its own road, or its portion of the through route, nor after the property has been delivered to the next carrier, except as such liability is or may be imposed by law, but nothing contained in this bill of lading shall be deemed to exempt the initial carrier from any such liability so imposed.

Sec. 3. No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch, unless by specific agreement indorsed hereon. Every carrier shall have the right in case of physical necessity to forward said property by any railroad or route between the point of shipment and the point of destination; but if such diversion shall be from a rail to water route the liability of the carrier shall be the same as though the entire carriage were by rail.

The amount of any loss or damage for which any carrier is liable shall be computed on the basis of the value of the property at the place and time of shipment under this bill of lading, including the freight charges, if paid. Except in cases where the loss, damage, or injury complained of is due to delay or damage while being loaded or unloaded, or damaged in transit by carelessness or negligence, claims must be made in writing to the carrier at the point of delivery or at the point of origin within four months after delivery of the property, or in case of failure to make delivery, then within four months after a reasonable time for delivery has elapsed. Suits for recovery of claims for loss, damage or delay shall be instituted only within two years after delivery of the property, or in case of failure to make delivery, then within two years after a reasonable time for delivery has elapsed.

Any carrier or party liable on account of loss or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance.

Sec. 4. All property shall be subject to necessary cooperage and baling at owner's cost. Each carrier over whose route cotton is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. Grain in bulk consigned to a point where there is a railroad, public, or licensed elevator, may (unless otherwise expressly noted herein, and then if it is not promptly unloaded) be there delivered and placed with other grain of the

Property destined to or taken from a station, wharf, or landing at which there is no regularly appointed agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and when received from or delivered on private or other sidings, wharves, or landings shall be at owner's risk until the cars are attached to and after they are detached from trains.

Sec. 6. No carrier will carry or be liable in any way for any documents, specie, or for any articles of extraordinary value not specifically rated in the published classification or tariffs, unless a special agreement to do so and a stipulated value of the articles are endorsed hereon.

Sec. 7. Every party, whether principal or agent, shipping explosive or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for all loss or damage caused thereby, and such goods may be warehoused at owner's risk and expense, or destroyed without compensation.

Sec. 8. The owner or consignee shall pay the freight and all other lawful charges accruing on said property, and, if required, shall pay the same before delivery. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

Sec. 9. Except in case of diversion from rail to water route, which is provided for in section 3 hereof, if all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to the liabilities, limitations, and exemptions provided by statute and to the conditions contained in this bill of lading not inconsistent with such statutes or this section, and subject also to the condition that no carrier or party in possession shall be liable for any loss or damage resulting from the perils of the lakes, sea, or other waters; or from explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery or appurtenances; or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And any vessel carrying any or all of the property herein described shall have the liberty to call at intermediate ports, to tow and be towed, and assist vessels in distress, and to deviate for the purpose of saving life or property.

The term "water carriage" in this section shall not be construed as including lighterage across rivers or in lake or other harbors, and the liability for such lighterage shall be governed by the other sections of this instrument.

If the property is being carried under a tariff which provides that any carrier or carriers party thereto shall be liable for loss from perils of the sea, then as to such carrier or carriers the provisions of this section shall be modified in accordance with the provisions of the tariff, which shall be treated as incorporated into the conditions of this Bill of Lading.

Sec. 10. Any alteration, addition or erasure in this bill of lading which shall be made without an indorsement thereof hereon, signed by the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

destination, and it is extremely important that the part of the contract wherein it imposes duties upon the shipper should be carefully followed out when the merchandise is prepared for shipment. Care should be taken to see that the name of consignee and destination, etc., on the bill of lading agree in every particular with the marking on the package, and the shipping clerk should use the greatest degree of accuracy in preparing the bill of lading to see that it does conform in every way to the order under which the shipment is made and also checks with the destination, etc., marked on the package. Many large manufacturing companies have their names as shippers printed on the bill of lading and also a list of the commodities which they ship. It is then only necessary to fill in the number of packages that are contained in the shipment. This provides against errors in classification and description of the material and also insures accuracy in specifying the kind of packages and the general description of the shipment covered by the bill of lading.

There is one objection of considerable importance to having a list of commodities printed on the bill of lading; namely, that the shipping clerk may inadvertently fill in the wrong space and when shipping one commodity may specify another on the bill of lading and shipping order. Such an error, however, would be avoidable. On the other hand, and in favor of the plan, the printed form shows the correct classification and eliminates liability for errors in description.

In the Sixty-third Congress there was introduced by Senator Cummins a bill to amend the Interstate Commerce Commission Act in so far as the responsibility of carriers is concerned. The bill was passed by both Houses of Congress and became a law on June 4, 1915. As it stands on the statute books it reads:

An Act To amend an Act entitled "An Act to amend an Act entitled, 'An Act to regulate commerce,' approved February fourth, eighteen hundred and eighty-seven, and all Acts amendatory thereof, and to enlarge the powers of the Interstate Commerce Commission," approved June twenty-ninth, nineteen hundred and six.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of section seven of an Act entitled "An Act to amend an Act entitled 'An Act to regulate commerce, approved February fourth, eighteen hundred and eighty-seven, and all Acts amendatory thereof, and to enlarge the powers of the Interstate Commerce Commission," approved June twenty-ninth, nineteen hundred and six, as reads as follows, to wit:

"That any common carrier, railroad, or transportation company receiving property for transportation from a point in one State to a point in another State shall issue a receipt or a bill of lading therefor, and shall be liable to the lawful holder thereof for any loss, damage, or injury to such property caused by it or by any common carrier, railroad, or transportation company to which such property may be delivered, or over whose line or lines such property may pass, and no contract, receipt, rule, or regulation shall exempt such common carrier, railroad or transportation company from the liability hereby imposed: PROVIDED, That nothing in this section shall deprive any holder of such receipt or bill of lading of any remedy or right of action which he has under existing law," be, and the same is hereby, amended so as to read as follows, to wit:

"That any common carrier, railroad, or transportation company subject to the provisions of this Act receiving property for transportation from a point in one State or Territory or the District of Columbia to a point in another State, Territory, District of Columbia, or from any point in the United States to a point in an adjacent foreign country shall issue a receipt or bill of lading therefor, and shall be liable to the lawful holder thereof for any loss,

damage, or injury to such property caused by it or by any common carrier, railroad, or transportation company to which such property may be delivered or over whose line or lines such property may pass within the United States or within an adjacent foreign country when transported on a through bill of lading, and no contract, receipt, rule, regulation, or other limitation of any character whatsoever, shall exempt such common carrier, railroad, or transportation company from the liability hereby imposed; and any such common carrier, railroad, or transportation company so receiving property for transportation from a point in one State, Territory, or the District of Columbia to a point in another State or Territory, or from a point in a State or Territory to a point in the District of Columbia, or from any point in the United States to a point in an adjacent foreign country, or for transportation wholly within a Territory shall be liable to the lawful holder of said receipt or bill of lading or to any party entitled to recover thereon whether such receipt or bill of lading has been issued or not, for the full actual loss, damage, or injury to such property caused by it or by any such common carrier, railroad or transportation company to which such property may be delivered or over whose line or lines such property may pass within the United States or within an adjacent foreign country when transported on a through bill of lading, notwithstanding any limitation or liability of the amount of recovery or representation or agreement as to value in any such receipt or bill of lading, or in any contract, rule, regulation, or in any tariff filed with the Interstate Commerce Commission; and any such limitation without respect to the manner or form in which it is sought to be made is hereby declared to be unlawful and void: PROVIDED, HOWEVER, That if the goods are hidden from view by wrapping, boxing, or other means, and the carrier is not notified as to the character of the goods, the carrier may require the shipper to specifically state in writing the value of the goods, and the carrier shall not be liable beyond the amount so specifically stated, in which case the Interstate Commerce Commission may establish

and maintain rates for transportation, dependent upon the value of the property shipped as specifically stated in writing by the shipper. Such rates shall be published as are other rate schedules: PROVIDED FURTHER, That nothing in this section shall deprive any holder of such receipt or bill of lading of any remedy or right of action under the existing law: PROVIDED FURTHER, That it shall be unlawful for any such common carrier to provide by rule, contract, regulation, or otherwise a shorter period for giving notice of claims than ninety days and for the filing of claims for a shorter period than four months, and for the institution of suits than two years: PROVIDED, HOWEVER, That if the loss, damage, or injury complained of was due to delay or damage while being loaded or unloaded, or damaged in transit by carelessness or negligence, then no notice of claim nor filing of claim shall be required as a condition precedent to recovery."

Sec. 2. That this Act shall take effect and be in force from ninety days after its passage.

Approved, March 4, 1915.

The portion of the Bill of Lading effected was that known as Section 3, which for many years has read:

"No carrier is bound to transport said property to any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch, unless by specific agreement indorsed hereon. Every carrier shall have the right in case of physical necessity to forward said property by any railroad or route between the point of shipment and the point of destination; but if such diversion shall be from a rail to a water route the liability of the carrier shall be the same as though the entire carriage were by rail.

"The amount of any loss or damage for which any carrier is liable shall be computed on the basis of the value of the property (being the bona-fide invoice price, if any, to the consignee, including the freight charges, if prepaid) at the place and time of shipment under this bill of lading,

unless a lower value has been represented in writing by the shipper or has been agreed upon it is determined by the classification or tariffs upon which the rate is based, in any of which events such lower value shall be the maximum amount to govern such computation, whether or not such loss or damage occurs from negligence.

"Claims for loss, damage, or delay must be made in writing to the carrier at the point of delivery or at the point of origin within four months after delivery of the property, or, in case of failure to make delivery, then within four months after a reasonable time for delivery has elapsed. Unless claims are so made the carrier shall not be liable.

"Any carrier or party liable on account of loss of or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies of contracts of insurance."

In order to conform to the so-called Cummins Law, bills of lading printed prior to the date of this law should bear the statement:

"Section 3 is amended by supplement 18 to Official Classification No. 42, effective June 2, 1915, and all reissues thereof."

Supplement 18 to Official Classification No. 42 reads as follows:

"No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable despatch, unless by specific agreement indorsed hereon. Every carrier shall have the right in case of physical necessity to forward said property by any railroad or route between the point of shipment and the point of destination; but if such diversion shall be from a rail to a water route the liability of the carrier shall be the same as though the entire carriage were by rail.

RULES

1. This form must be prepared with typewriter, pen or indelible pencil; all information called for to be shown in full and in a clear and legible manner.

2. Weight, rate and charges must be shown in detail.

3. Demurrage, switching, icing or other miscellaneous charges not included in the rate for transportation must be stated in detail, separately from the actual charges for transportation and the points at which such charges accrued also shown.

4. When charges are assessed on track scale weights, gross, tare and net weights on which charges are based and name of weighing station must be shown.

5. Overcharges will be refunded only on presentation of original paid freight bill.

6. Original paid freight bills should accompany claims for overcharge, loss or damage.

7. All freight will be subject to demurrage, storage, switching or other miscellaneous charges, or both, as provided in published tariffs.

8. All cheques to be accepted by bank and made payable to **Grand Trunk Railway System**, unless charges are paid to Cartage Agent.

charges are collectable at destination a paid freight receipt is invariably issued unless through an arrangement in force at some particular point a shipper is satisfied to have a statement of the freight charges issued weekly and pay on that statement instead of requiring a separate freight bill for each shipment. There has been a wide difference in the form of freight bills of the different carriers, and the subject having been brought to the attention of the Interstate Commerce Commission, a conference was arranged between the carriers and shippers, and this standard form of freight bill was recommended by the Commission. (See form inserted.)

(One reverse of freight bill.)

Rules.

1. This form must be prepared with typewriter, pen or indelible pencil; all information called for to be shown in full and in clear and legible manner.
2. Weight, rate and charges must be shown in detail for less-carload shipments.
3. Demurrage, switching, icing or other miscellaneous charges not included in the rate for transportation must be stated in detail, and the points at which such charges accrued shown.
4. When charges are assessed on track scale weights, gross, tare, and net weights on which charges are based and name of weighing station must be shown.
5. The route over which the shipment moved from point of origin to destination, including the initials of each carrier and name of each connecting line junction point must be shown.
6. Overcharges will be refunded only on presentation of original paid freight bills.
7. Original paid freight bills should accompany claims for overcharge, loss or damage.
8. All freight will be subject to demurrage or storage charges, or both, as provided in published tariffs.

§ 3. Record of Shipments.

The traffic department should be promptly furnished with a record of every shipment outbound as well as inbound. Copy of the bill of lading covering outbound shipments, particularly where it is necessary to trace, is required by the traffic department. This copy also permits of a close check upon the shipping clerk as to classification of the shipment, etc., and enables the traffic manager to see that the bill of lading bears no improper statement. Wherever possible the shipper should insist that the notation, "shippers load and count" and "shippers tally," etc., be omitted from the bill of lading. While it does not frequently occur that with such notation on the bill of lading consignees will complain of shortage, etc., even though a shipment is intact upon its arrival, such a claim might be made. These notations on a bill of lading allow concerns unscrupulous enough to do so an opportunity to make unjust claims. A simple yet effective plan of recording freight shipments provides for the date of shipments, name and address of consignees, the amount shipped, car number and initial, routing, etc. The bill of lading from which this record is made is placed in the general file under the name of the party to whom the shipment was directed or from whom the shipment came in the event of its being an inbound shipment. This system works very well also with reference to tracing. This subject will be covered in greater detail in a following chapter.

This form would, of course, be changed to suit the particular line of trade in which it was used, but the general packing and shipping instructions would be contained on the blank as well as routing instructions and information as to the correct rate, etc. This enables the traffic department to have actual supervision over the packing and

shipping of the consignment and to check the freight charges, etc., when the freight bill comes through for payment. In view of the continuous change in classification, ratings, packing, routings, etc., it is preferable that the traffic manager who is in direct touch with these things should have supervision over all the shipping and that matters of this kind should not be left for the shipping clerk to use his discretion. While the shipping clerk's judgment might be excellent, he would not have the intimate knowledge of the changing conditions possessed by the traffic manager.

§ 4. Instructions to Shipping Clerks.

Of paramount importance are the instructions from the traffic manager to the shipping clerks at the factory. These instructions form the connecting link between the traffic head and the shipments themselves. Failures to classify properly, improper packing and other incidental errors in shipping would naturally be directly chargeable to the traffic manager if his instructions to the shipping clerks were of such a character as to be misinterpreted or misunderstood. It is necessary, therefore, that the instructions to be transmitted from the traffic department to the shipping clerk should be easily understood and clear as to detail, and so complete as to allow no opportunity for the indiscriminate action of a shipping clerk.

The constant changes in classification, rating, rules, regulations as to packing, tariffs, routing, etc., make it necessary that the shipping clerk have detailed information other than precedent to guide him in preparing a shipment. Instructions which would be complete and correct in one instance might be entirely changed before a subsequent shipment for the same destination were to go forward, and such first direction would in the second

instance result in an infraction of the law and incur the risk of suffering the consequent penalty.

It is difficult for the shipping clerk to keep in touch with the different changes occurring with reference to rating, etc., as his place at the factory does not usually permit of accumulating such information. The traffic department therefore must supply the shipping clerks with all the necessary information with reference to the preparation, packing and shipping of every consignment.

In some industries where the shipments are all of a similar character, general instructions may be sufficient to guide a shipping clerk in the dispatch of his duties, and these instructions remain in force until cancelled or superseded. Other concerns, however, having a diversity of materials and varying conditions to deal with would find a different situation confronting them. In the former case the shipping clerk's general directions, which from time to time would be supplemented as conditions changed, might guide him satisfactorily, but in the instance of the diversified business it would be necessary that he have detailed instructions with reference to the preparation and dispatch of each shipment. In many cases and probably as a general rule a shipping clerk might be guided by general instructions covering his ordinary duties which would be augmented and added to by specific directions covering particular shipments. A circular or booklet of general directions to shipping clerks is usually issued by the traffic department. Such instructions are used as a guide whenever such directions apply to shipments under consideration. For extraordinary shipments, special instructions would be given. A shipping clerk must use ordinary discretion in the application of such rules and regulations. Such a booklet of instructions should provide that in the absence therein of specific application of rules or regula-

tions to a particular shipment, the shipping clerk is to ask for directions. In the event of there being any question in his mind as to what rule or regulation guiding his procedure would apply, he would also be instructed to consult the traffic department. A brief outline of these general instructions is as follows:

"(1) Correct description and actual gross weight of all shipments must be shown on bills of lading unless instructions in specific cases are received from the traffic department to cover shipments on which dunnage and other weight allowances may be provided for in the railroad tariffs.

"(2) Shipments should be packed in accordance with instructions.

"(3) Every package of a less than carload shipment must be plainly marked with consignee's name and address and route over which shipment is to move, as well as name and address of consignor after the word 'from.' Carload shipments should also have at least ten or fifteen pieces marked in the same manner.

"(4) Follow closely all instructions on shipping order, and in the event of failure to understand all such directions or in case of inaccuracy promptly communicate with traffic department.

"(5) If rate inserted in shipping clerk's order is not the rate in possession of the freight agent of the initial carrier, or if freight agent is not in possession of tariff applying the rate via the route specified in shipping clerk's order, promptly notify the traffic department.

"(6) Do not accept on less than carload shipments bills of lading with the statement 'shipper's load and count.'

"(7) On carload shipments loaded directly at siding, be sure that both sides of car are sealed as soon as practical after car is loaded.

"(8) Do not sign for the receipt of any merchandise until shipment has been checked with bill of lading or invoice from consignor.

"(9) Make explicit note on receipt to the railroad company of any shortage or damage to any shipments received.

"(10) Car seal record must be noted on all received reports covering shipments unloaded direct from cars to factory.

"(11) Inbound shipments must be unloaded with reference to their receipt in order to avoid demurrage charges.

"(12) In the event of concealed loss not discovered until after receipt is given to the carrier, received report must be accompanied by affidavit of such concealed loss or damage. This latter document is needed to support claim against the carriers."

It will be observed that the above instructions are of a very general character and for the guidance in routine matters.

Without doubt the best method of procedure and one which in the ordinary course of business would more surely avoid error and misunderstanding is the arrangement whereby the shipping clerk receives specific routing and shipping directions covering each consignment dispatched by him. This shipping order usually accompanies the factory order and bears the same numbers, etc.

The form of shipping clerk's order is similar to that ordinarily furnished to the factory, especially so far as name of consignee, number of packages, character of merchandise, etc., are concerned. It, however, deals particularly with the packing and shipping of the consignment, and particular reference is made to the routing, the classification, etc. It relieves the shipping clerk of all the responsibility as to the correct packing and classification, as well as the routing. It only remains necessary for him

when making out the bill of lading to specify thereon exactly as the traffic department has furnished him with the required information.

A simple form which is sometimes used for this purpose is as follows:

SHIPPING CLERK'S ORDER.

Date..... Number.....

Ship to .....
Destination .....
Route via .....
Classify as.....
Pack in .....
Shipment is to consist of.....
Freight rate is.....
Ship in the name of.....
Shipping date .....

CHAPTER IV.

PREPARATION OF FREIGHT FOR SHIPMENT.

§ 1. Classification of Shipments.
§ 2. Packages (kinds, etc.).
§ 3. Relation of Minimum Weights and Length of Cars in Ordering Equipment.
§ 4. Marking of Packages.
§ 5. Different Destinations and Effect Upon Packing and Marking.
§ 6. Weights on Bills of Lading.

CHAPTER IV.

PREPARATION OF FREIGHT FOR SHIPMENT.

§ 1. Classification of Shipments.

If there were only one classification name for each article in each of the three classifications, or if there were a uniformity in designation of analogous articles, the matter of freight classification would be comparatively simple; but in view of the complicated character of the classifications and inasmuch as there are some 6,000 ratings in each of the three principal classifications, it will readily be seen that there is a vast opportunity for errors. Articles correctly classified in one classification territory when moving out of that classification territory and into another classification territory might require a different designation in order to enjoy the proper rating and insure the correct application of rates.

To illustrate how simple it would be for a shipping clerk erroneously to describe a consignment so far as rating is concerned and at the same time properly describe his consignment so far as ordinary commercial requirements might demand, it may be well to point out an error which is sometimes made in describing "Aluminum Articles, boxed, not nested." In the Western Classification the rating in less carload lots is double first class, while "Aluminum Ware," packed in the same manner, is rated one and one-half times first class. A shipping clerk in

sending forward a consignment of "Aluminum Cooking Utensils," should he bill them simply as "Aluminum Articles," would place the concern he represents in a position where it would be obliged to pay twenty-five per cent more charges than if he had described them as "Aluminum Ware."

"Aluminum Ware," not otherwise specified, in the Official Classification territory includes "Aluminum Articles," such as cooking utensils. Therefore if a shipment of cooking utensils of aluminum ware were billed as "5 boxes of Aluminum Ware," it would be charged first class rate; whereas, if nested and classified "5 boxes Aluminum Ware, nested," it would take a class lower rating. Therefore, in shipping a consignment of Aluminum Cooking Utensils from a point in the Official Classification territory to a destination in Western Classification territory, care should be taken by the shipping clerk that the consignment was properly packed and classified so as to move in both classification territories at the lowest rating in each. There are numerous other illustrations along the same lines which might be cited to show the necessity of complete and detailed directions from the traffic manager to the shipping clerk to avoid unnecessary expense and assure the payment of only the minimum legal freight charges.

§ 2. Packages (Kind, Etc.).

There is no single phase of the transportation subject of greater importance to the shipper than the preparation of shipments. A study of the different classifications will show what great stress is laid by the carriers upon proper packing. From the carrier's point of view the subject is considered with reference to the possibilities of loss and damage to shipments, and it is made an object to the shippers to pack their goods in the most secure con-

tainers. From the shipper's point of view the subject is considered with reference to the safe carriage of his goods to destination and their arrival at consignee's address in proper merchantable condition. Also the consignee considers this matter of packing from the point of the freight charges assessable on goods contained in the different packages. A shipment of liquid, in iron drums, obviously is entitled to a lower rating than the same commodity when contained in glass carboys, even though the latter may be protected in accordance with the rules and regulations laid down by the carrier. A hundred other illustrations might be given and some will be referred to, bearing out and having to do with the theory of a safe container for merchandise.

In the work of the Uniform Classification Committee which was organized to revise and unify the rules and regulations, etc., of the three principal classifications, the first subject to be taken up was the matter of the regulations pertaining to the different kinds of packages and to unify these rules so that a consignment packed and dispatched in one classification territory might enjoy a correspondingly low or high rating, as the case might be, if it was destined to some classification territory other than the one in which it originated. Until the Uniform Classification Committee began its work there was a great diversity and lack of uniformity in the regulations respecting packages and containers. In one classification territory a low rating was given a commodity when packed in boxes, but if it moved to another classification territory it was necessary that the shipment be packed in barrels in order to enjoy the lowest rating. It therefore became necessary for a shipper to review carefully the possibility of securing the lowest rating in the territory where the longest haul occurred.

There are three principal elements to be considered in determining upon proper protection for a shipment.

First. What packing and what style of package will give ample protection to the commodity contained and be the least expensive, at the same time insuring its perfect condition when delivered at destination.

Second. What style of package will secure the lowest classification in the territory in which it moves.

Third. In determining upon the package, amount of the weight of the package itself must be considered, or in other words, the tare weight or dead weight of the shipment.

Considering the latter, of course, it is important that only the necessary amount of tare weight should be included in a shipment as the freight charges paid on such tare weight do not represent a corresponding revenue from the sale of the commodity itself. As a usual thing the heavier the package the greater the cost of such package. In view of the importance of packages it will perhaps be well to outline the rules and regulations with reference to packages as laid down by the different classification committees. Of late the question of fibreboard, pulpboard or double-faced corrugated strawboard boxes has been given considerable attention and the manufacturers of this style of packages have been using every effort to have an equitable and relatively low rating provided on commodities when so packed. Exhaustive investigations have been conducted by the different classification committees and by the Uniform Classification Committee, in particular, with reference to the matter of safety of goods contained in such style of packages. Dealing particularly with this style of package the Official Classification Committee provides as follows:

Rule 2 B—Unless otherwise provided, ratings on articles "Boxed" or "In Boxes or Cases" will apply on the same articles in Fibreboard, Pulpboard or Double-Faced Corrugated Strawboard Boxes, with or without wooden frames, provided the following requirements and specifications are fully complied with; if the following requirements and specifications are not fully complied with, the freight rate shall be increased 20 per cent, with a minimum increase of 2 cents per 100 lbs., subject to the right which carriers reserve to decline shipments in insecure packages.

The Western Classification in Rule 42 and the Southern Classification in Rule 9 provide practically the same specifications as the Official Committee.

To consider this subject more completely it may be advisable to review the general shipping containers specifications as provided in the different classifications. The Official Classification rules in this regard are the same as the provisions of the Western and Southern Classification Committees, and are as follows:

The Interstate Commerce Commission prescribe rules and regulations for the transportation of dangerous articles other than explosives, also specify what kind of containers shall be used in the handling by freight of Dangerous Articles and Inflammable Liquids. These regulations and rules are published in the Official and Western Classifications while the Southern Classification provides "The transportation of Explosives and other Dangerous Articles are subject to the rules and regulations prescribed by the Interstate Commerce Commission."

The Traffic Manager responsible for making shipments of Dangerous Articles and Inflammable Liquids, must be thoroughly conversant with the Rules and Regulations prescribed by the Commission.

The Congress of the United States, under the Transportation of Explosives Act approved March 4, 1909, and to take effect and be in force after the first day of January, 1910, under Section 233, confers upon the Interstate Commerce Commission the right to formulate regulations for the safe transportation of explosives and other dangerous articles. Under this section of the Act the Interstate Commerce Commission shall formulate such regulations as shall be in accord with the best known practical means for securing safety in transit covering the packing, marking, loading, handling while in transit and the precaution necessary to determine whether the material when offered is in proper condition to transport. Such regulations as well as all changes and modifications thereof shall take effect ninety days after their formulation and publication by the Commission and shall be in effect until reversed, set aside or modified.

A careful study of the foregoing rules and specifications will impress upon the reader of what great importance the railroads regard this subject. It is necessary to study carefully the classifications to determine what kind of packages take the lowest rating when containing the particular merchandise to be shipped, always giving due consideration to the commercial necessities and the demands of the trade for the article under consideration. In the Official Classification territory the crockery or earthenware manufacturers find that when packing this material in boxes or barrels it is rated at second class in less than carload lots, whereas, if the packages are crates, tierces, casks or hogshead, a third-class rating applies. Caustic soda in metal cans, in barrels or boxes, is rated Rule 26, 20 per cent below third class; whereas, in bulk, in barrels, caustic soda is given a fourth-class rating. Chlorate of soda, less carloads,

in glass or earthenware, packed in barrels or boxes, is rated first class, where the same commodity, if in bulk, in barrels, is third class. The acid manufacturer who packs his shipment in less than carload lots, in carboys, pays a first-class rating, whereas, if he packs the same commodity in iron or steel barrels, the rating in less carload lots is covered by Rule 26. The different packages, safety thereof, etc., determine the rating applicable. The responsibility for proper safe packing rests with the shipper.

This subject of classification is dealt with in another part of this volume and is referred to here with reference only to the matter of packing and the care which should be exercised in determining upon a proper package in order to secure the lowest possible rating. After considering the commercial requirements surrounding the commodity it is necessary to fix upon acceptable packages which will most safely carry goods to destination and on which will be applied the lowest rate.

The exceptions to classification and other special rules and regulations of individual carriers should not be overlooked. Often these regulations make lower rates than those provided in the classification governing the territory in which the shipment may move. Commodity rates sometimes require that shipments move in certain packages. Study of this should also be made, as such commodity tariffs having exceptions to the classifications supersede and take precedence over the classifications themselves.

§ 3. Relation of Minimum Weights and Length of Cars to Ordering Equipment.

When an article is rated with a minimum of the capacity of the car, care must necessarily be exercised to order a car sufficiently in advance to insure securing one of capacity not in excess of the anticipated load of the car. Other-

wise charges would of necessity be paid on a greater weight than that representing the actual contents of the car.

Such commodities as "grain," etc., are almost invariably rated at the capacity of the car, and if a shipper of that commodity had 60,000 pounds of grain which he desired to ship and ordered a car without expressing the capacity of the car that he wished and the carriers delivered a car of 80,000 pounds capacity, the shipper would be obliged to pay on 20,000 pounds of material which he did not ship. On the other hand, if he had ordered a car of 60,000 pounds capacity and the carrier had been unable to furnish a car of less capacity than 80,000 pounds, and for its convenience had placed a car of 80,000 pounds capacity, the shipper would then only be required to pay charges upon the 60,000 pounds.

Articles having great bulk are rated with reference to the space they occupy and in the Official Classification territory are usually subject to Rule 27. This provides that the rating on such articles shall be based on the loading in a car, 36 feet 6 inches in length, and charged at a minimum carload weight as specified for such car. If the carrier is unable to furnish a car of the desired length, and furnishes one of longer dimension for its own convenience, the shipper is only required to pay upon the length of the car ordered, provided the car ordered is not in excess of 36 feet 6 inches in length. That this may be more clearly understood it is well for the reader to review Rule 27 of the Official Classification Committee, which deals with this subject.

Rule 27.

(A)—When articles subject to the provisions of this rule are loaded in or on cars 36 feet 6 inches or less in length,

they shall be charged at the minimum carload weights specified therefor in the Classification (actual or estimated weight to be charged for when in excess of the minimum weight). Except as provided in Sections B and C, if such articles are loaded in or on cars exceeding 36 feet 6 inches in length, the minimum carload weights to be charged shall be as provided in Section F (actual or estimated weight to be charged for when in excess of the minimum weight). (See Note 1.)

(B)—When a shipper orders a car 36 feet 6 inches or less in length for articles "subject to Rule 27," and carrier is unable to furnish car of desired length when ordered, a longer car will be furnished under the following conditions:

1st. If the carrier is unable to furnish car of desired length but furnishes a longer car not exceeding 40 feet 6 inches in length, the minimum weight for the car furnished shall be that fixed for the car ordered, except that when the loading capacity of the car is used the minimum weight shall be that fixed for the car furnished.

2nd. If the carrier is unable to furnish car of the desired length or in place thereof a car not exceeding 40 feet 6 inches in length within six (6) days from the date car is ordered, and after the expiration of such period furnishes a longer car than ordered, the minimum weight for such car shall be that fixed for the car ordered, except that when the loading capacity of the car is used the minimum weight shall be that fixed for the car furnished.

If a longer car than ordered is furnished, the following notation must be made by agent on Bill of Lading and Way-bill:

"Car.....ft. in length ordered by shipper on..... (date); car.....ft. in length furnished by carrier on .....(date) under Rule 27, Official Classification."

(C)—When a shipper orders a car over 36 feet 6 inches in length for articles "subject to Rule 27," and car of the length ordered cannot be furnished within six days after receipt of order (see Note 2), carrier will, after expiration

of such period, furnish a longer car or two shorter cars under the following conditions:

1st. If the carrier is unable within six days after receipt of order (see Note 2) to furnish car of the length ordered and furnishes a longer car, the minimum weight shall be that fixed for the car ordered, except that when the loading capacity of the car is used the minimum weight shall be that fixed for the car furnished.

If a longer car than ordered is furnished, the following notation must be made by agent on Bill of Lading and Way-bill:

"Car.....ft. in length ordered by shipper..... (date); car.....ft. in length furnished by carrier on .....(date) under Rule 27, Official Classification."

2nd. If the carrier is unable within six days after receipt of order (see Note 2) to furnish car of the length ordered or a longer car than ordered and furnishes two shorter cars in place of the car ordered, one of the cars (the longer car of the two if of different lengths and subject to different minimum carload weight when loaded singly) shall be charged the minimum weight fixed for such car (actual or estimated weight if greater) and the remainder of the shipment loaded in or on the other car shall be charged at actual or estimated weight and carload rate, but in no case shall the total weight charged for the two cars be less than the minimum weight fixed for the car ordered.

When two shorter cars are furnished in place of the car ordered, the following notation must be made by agent on Bill of Lading and Way-bill:

"Car.....ft. in length ordered by shipper on..... (date); two cars.....ft. and.....ft. in length furnished by carrier on.....(date) under Rule 27, Official Classification."

(D)—Except when furnished by carrier in place of a shorter car ordered, if a car over 36 feet 6 inches in length is used by shipper for loading articles "subject to Rule 27," without previous order having been placed by shipper with

carrier for a car of such size, the minimum weight shall be that fixed for the car used.

(E)—Rule 5-C will not apply to articles "subject to Rule 27" unless otherwise provided in the description of such articles in the Classification or in the tariffs of individual carriers.

(F), See Note 3.	When the Minimum Carload Weight Provided in the Classification for the Article Shipped is:				
	24,000 pounds Charge not less than	22,000 pounds Charge not less than	20,000 pounds Charge not less than	18,000 pounds Charge not less than	16,000 pounds Charge not less than
Cars over	lbs.	lbs.	lbs.	lbs.	lbs.
36′ 6″ and not over 37′ 6″ long	24,720	22,660	20,600	18,540	16,480
37′ 6″ and not over 38′ 6″ long	25,440	23,320	21,200	19,080	16,960
38′ 6″ and not over 39′ 6″ long	26,160	23,980	21,800	19,620	17,440
39′ 6″ and not over 40′ 6″ long	26,880	24,640	22,400	20,160	17,920
40′ 6″ and not over 41′ 6″ long	28,080	25,740	23,400	21,060	18,720
41′ 6″ and not over 42′ 6″ long	29,280	26,840	24,400	21,960	19,520
42′ 6″ and not over 46′ 6″ long	34,080	31,240	28,400	25,560	22,720
46′ 6″ and not over 50′ 6″ long	38,880	35,640	32,400	29,160	25,920
50′ 6″ in length.....	48,000	44,000	40,000	36,000	32,000

(F), See Note 3.	When the Minimum Carload Weight Provided in the Classification for the Article Shipped is:				
	15,000 pounds Charge not less than	14,000 pounds Charge not less than	12,000 pounds Charge not less than	11,000 pounds Charge not less than	10,000 pounds Charge not less than
Cars over	lbs.	lbs.	lbs.	lbs.	lbs.
36′ 6″ and not over 37′ 6″ long	15,450	14,420	12,360	11,330	10,300
37′ 6″ and not over 38′ 6″ long	15,900	14,840	12,720	11,660	10,600
38′ 6″ and not over 39′ 6″ long	16,350	15,260	13,080	11,990	10,900
39′ 6″ and not over 40′ 6″ long	16,800	15,680	13,440	12,320	11,200
40′ 6″ and not over 41′ 6″ long	17,550	16,380	14,040	12,870	11,700
41′ 6″ and not over 42′ 6″ long	18,300	17,080	14,640	13,420	12,200
42′ 6″ and not over 46′ 6″ long	21,300	19,880	17,040	15,620	14,200
46′ 6″ and not over 50′ 6″ long	24,300	22,680	19,440	17,820	16,200
50′ 6″ in length.....	30,000	28,000	24,000	22,000	20,000

Note 1.—The length of cars referred to in this rule is based on the platform measurement of flat cars and inside measurement of all other cars, except that on refrigerator cars having ice boxes constructed in ends thereof extending

from top of car partially to floor thereof, the length shall be computed from the inward side of the ice box.

The platform measurement of flat cars and the inside measurement of other cars must be shown on manifest and transfer slips to connecting lines.

Note 2.—Time will be computed from the first day after the day on which order is received by carrier. In computing time Sundays and legal holidays (national, state and municipal) will be included. When the last day of the six day period is a Sunday or a legal holiday the day following will be considered the last of the six days. When a legal holiday falls on a Sunday the following Monday will be treated as a legal holiday.

Note 3.—When a shipper orders a car of specified length within and including the minimum and maximum lengths for which the same minimum carload weight is provided in Section F, the furnishing by carrier of a car of any length between and including such minimum and maximum lengths will be a fulfillment of shipper's order.

Note 4.—For dimensions of cars see the Official Railway Equipment Register, I. C. C.—R. E. R. No. 15 and P. S. C. —2 N. Y.—R. E. R. No. 15 (issued by G. P. Conard, agent) and reissues thereof.

Western and Southern Classifications contain the same general provisions.

It will be seen that the same care in the preparation of a carload shipment as of a less carload shipment must be taken by the shipper to assure himself of paying the minimum amount of charges. In this period of highly competitive conditions the difference in freight charges very frequently determines who shall be the seller in a given market, and it goes without saying that a shipper who is more closely attentive to the saving to be legally obtained in the correct description, proper packing and minimum rating in carloads, has an advantage which his uninformed competitor can hardly hope to overcome.

Of great importance to both carrier and shipper is the proper marking of packages.

§ 4. Marking of Packages.

For shipments which move in less than carload lots the railroads provide that each package, bundle or piece of such less than carload freight when tendered for transportation must be plainly marked by the shipper by brush, stencil, marking crayon, marking pencil, rubber stamp, or pasted label or tag, securely fastened or attached, or by some other legible method of marking which shows the name of consignee, destination, and name of the abbreviation of the state to which the consignment is destined. There are certain exceptions, however, to be considered, and a careful study of such exceptions should be made. The regulations with reference to packing, etc., as provided by the different classification committees are as follows:

Rule 3 of the Official Classification.

Each package, bundle or piece of less than carload freight when tendered for transportation by shipper, must be plainly marked by brush, stencil, marking crayon, marking pencil, rubber stamp, pasted label or tag securely fastened or attached, or other legible method of marking, showing the name of the consignee, the name of the station, town or city, and the name or abbreviation of the state to which destined, with the following exceptions:

When articles are not boxed, barreled, crated or sacked and are shipped loose in pieces or when pieces are wired or otherwise fastened together in lots or bundles, and the shipment consists of not more than ten pieces, lots or bundles, at least two pieces, lots or bundles in each shipment shall be marked in accordance with this rule, and when the shipment consists of more than ten pieces, lots or bundles, one for every ten or additional part thereof

shall be so marked, but not more than ten such markings shall be required for any shipment from one consignor to one consignee and destination. Each marking under this exception must show the total number of pieces, lots or bundles in the entire consignment.

Articles which are not classified or rated in carloads and are subject to less than carload rates for shipment in any quantity, and which are shipped loose in pieces or in packages from one consignor to one consignee and destination, and are loaded by shippers in cars to 30,000 pounds, or the cubic capacity of the car, will be accepted without marking.

The marks on packages, bundles or pieces which are required to be marked must be compared with the shipping order and bill of lading and corrections, if necessary, made by the consignor or his representative before receipt is signed. Old consignment marks must be cancelled, removed or effaced before packages, bundles or pieces will be accepted for transportation.

Freight consigned "To order" must have the words "To order" also marked thereon in addition to being otherwise marked, as provided for in this rule.

Freight consigned to a place of the same name as another place in the same state must have the name of the county marked on each package, bundle or piece required to be marked by the foregoing rule of exceptions thereto, and the name of the county must also be shown on the shipping receipt.

When freight is consigned to a place not located on the line of a railroad, each package, bundle or piece required to be marked by the foregoing rule or exceptions thereto must be marked with the name of the station at which the consignee will accept delivery, or if routed in connection with a water line on which there are no joint rates in effect the name of the place at which delivery is to be made to such water line must be marked on each package, bundle or piece required to be marked by this rule.

Freight not marked in accordance with the foregoing

rule or according to exceptions thereto specifying marking will not be accepted for transportation.

Rule 7 of the Western Classification and Rule 7 of the Southern Classification are Alike, and as Follows:

Section 1. Freight, when delivered to carriers to be transported at less than carload or any quantity, must be marked in accordance with the following requirements, and specifications, except as provided in Section 2 (b) of this rule, or otherwise provided in specific items in this Classification. If these requirements and specifications are not complied with freight will not be accepted for transportation.

Section 2. (a) Each package, bundle or loose piece of freight must be plainly, legibly and durably marked by brush, stencil, marking crayon (not chalk), rubber type, metal type, pasted label (see Note 1), tag (see Note 2), or other method which provides marks equally plain, legible and durable, showing the name of the consignee, and of town or city and state to which destined.

When consigned to a place of which there are two or more of the same name in the same state, the name of the county must also be shown.

When consigned to a place not located on the line of a carrier, it must also be marked with the name of the station at which the consignee will accept delivery.

When consigned "To order" it must be so marked and further marked with an identifying symbol of number which must be shown in shipping order and bill of lading.

Note 1.—Labels must be securely attached with glue or equally good adhesive.

Note 2.—Tags must be made of metal, leather, cloth or rope stock or sulphite fiber tag board, sufficiently strong and durable to withstand the wear and tear incident to transportation; and

When such cloth or board tag is tied to any bag, bale, through a reinforced eyelet.

Tags used to mark wooden pieces or wooden containers bundle or piece of freight it must be securely attached

must be fastened at all corners and center with large-headed tacks or tag fasteners; or

Tags may be tied to wooden pieces when the freight would be injured by the use of tacks or tag fasteners.

Tags tied to bags, bales, bundles or pieces must be securely attached by strong cord or wire, except that when tied to bundles or pieces of metal they must be securely attached by strong wire or strong tarred cord.

(b) A shipment that fully occupies the visible capacity of a car, or that weighs 24,000 pounds or more, when shipped from one station, in or on one car, in one day, by one shipper for delivery to one consignee at one destination, need not be marked.

(c) The marks on bundles, packages or pieces must be compared with the shipping order or bill of lading, and corrections, if necessary, made by the shipper or his representative before receipt is signed.

(d) Old consignment marks must be removed or effaced.

(e) Freight in excess of full cars, except where such excess is the result of carrier's failure to furnish car ordered by shipper must be marked as required for less than carload freight.

Packages branded with the trade name of a commodity which is different than the classification name often causes confusion and results in a higher rating than proper being applied by the carriers.

Recently the manufacturer of a certain kind of poultry food found that his shipments were being charged for at an excessive rate, due to the bags being branded "Milk Albumen." There was no classification of "Milk Albumen" and the inspectors believing the "Poultry Food" Classification (sixth class in carload lots) to be too low, raised the rate to second class, the rating on "Albumen."

As a matter of fact "Milk Albumen" is a trade name given to the refuse from whey, resulting from the manufacture of sugar of milk. This product is a very low grade material and is only usable as a food for poultry and young

animals, and in no sense resembles the albumen of eggs or blood which the classification provides for under the title "Albumen." While there seemed little if any question that "Poultry Food" was the most closely analogous article to "Milk Albumen," still the uninformed inspectors continued to increase the rating on all shipments coming to their observation. The situation became unbearable and the manufacturer presented the facts to the Classification Committee, and requested a specific designation of "Milk Albumen" under the heading and at the rating of "Poultry Food." This request the Classification Committee granted, thereby eliminating the difficulty.

§ 5. Different Destinations and the Effect Upon Packing and Marking.

The marking of packages and the packing of goods for export is one that should be given most careful thought and study, as very frequently consignments destined to a foreign country require special marking and packing which would not be required when shipped to destinations in this country. The shipper should study particularly the provisions and requirements of the steamship companies and also the customers, laws and governmental regulations of the foreign country to which the goods are destined. The manufacturers of this country have been criticized, and perhaps justly so, for not making a careful study of the commercial conditions and requirements of the foreign countries to which they are exporting goods. It is stated that Germany, England and France have made much greater strides in the exportation of their goods through careful and intimate consideration of the numerous requirements of the trade in foreign countries to which their merchandise is shipped. Japan, for instance, might require a certain style of package for some particular arti-

cle, while the countries of South America, being unaccustomed to that style of container, would refuse the merchandise so packed even though it might be of a superior quality. While this may be somewhat apart from the transportation feature, it usually follows that the commercial demands of a country are also the factors controlling the transportation requirements. Some countries require that the gross, tare and net weight, dimensions, etc., of the packages be stenciled upon the packages themselves. The shipper must be sure that his goods are properly packed, described and marked, as no general rule of procedure can safely be adopted without knowledge of destination, etc.

§ 6. Weights on Bill of Lading.

All articles are charged for at gross weight unless otherwise provided in the classification. In some cases an estimated weight is provided for, and in other instances allowance is made for icing, dunnage, etc. For the protection of perishable property not lower than third class, the roads in the Official Classification territory usually provide that during the summer months the carriers may furnish at their own cost, ice and salt when shipments are loaded in refrigerator or other cars, excepting that when cars are loaded by individual consignors the cost of icing will not in any instance be assumed by the carriers when the weight of each of such cars is less than 15,000 pounds. Consignors must furnish at their own cost ice and salt for property classified less than third class in less than carload or carloads. At the expiration of the summer season the carriers generally provide that ice and salt, when required for the protection of property, will not be furnished by the railroad companies except as provided for in tariffs of the individual carriers. These tariffs should

be carefully examined by the shipper to determine just what privileges are properly applicable to his shipments. Such perishable articles as "dressed fresh meat," "milk," "cream," "butter," etc., would be affected by such rules and regulations. Vegetables and fruits would also, of course, come under this heading. The allowance for dunnage is provided for by the Official Classification Committee in Rule 19, in Western Classification by Rule 27, and in Southern Classification Rule 27.

Rule 19. Official Classification.

An allowance of 500 pounds in weight per car will be made for racks, standards, strips, braces or supports used by shippers on flat or gondola cars when loaded with carload shipments of lumber and forest products requiring their use for safe transportation, except that in no case shall less than the established minimum carload weights be charged. If the weight of the racks, standards, strips, braces or supports is more than 500 pounds per car the excess will be charged at the rate applicable to the lading of the car.

An allowance of the actual weight but not more than 500 pounds per car will be made for racks, standards, strips, braces or supports used by shippers on flat or gondola cars when such material is required for safe transportation in the loading of carload freight other than lumber and forest products, provided that in no case shall less than the established minimum carload weights be charged, and also provided that shipper must specify on shipping order, the actual weight of the material used; otherwise no allowance will be made. If the weight of the racks, standards, strips, braces or supports is more than 500 pounds per car the excess will be charged at the rate applicable to the lading of the car.

An allowance of the actual weight, but not more than 500 pounds per car, will be made for wooden dunnage, blocking or bracing material used by shippers in box, stock,

ventilated, insulated or refrigerator cars with carload shipments of freight requiring the use of such dunnage, blocking or bracing material, provided that in no case shall less than the established minimum carload weight be charged and also provided that shipper must specify on shipping order the actual weight of the material used; otherwise no allowance will be made. If the weight of the dunnage, blocking or bracing material is more than 500 pounds per car the excess will be charged at the rate applicable to the lading of the car. No allowance in weight will be made for wooden dunnage, blocking or bracing material used by shippers, for part carloads in excess of full carload or carloads which are entitled to actual weight, carload rate, under the provisions of Rule 5 (C). (See Note.)

An allowance of 1,000 pounds weight per car will be made for linings placed by shippers in box, insulated or refrigerator cars loaded with perishable property, provided that in no case shall less than the specified minimum carload weight be charged.

Note 1.—Blocking or bracing material must not be nailed, bolted or screwed to the floor, sides or ends of refrigerator or insulated cars.

Rule 27. Western Classification.

An allowance not to exceed 500 pounds will be made for temporary blocking, racks, standards, strips, stakes or similar bracing, dunnage or supports, not constituting a part of the car, when required to protect and make secure for shipment property on flat or gondola cars upon which carload ratings are applied. Such material must be furnished and installed by the shipper and at his expense.

Carriers will not be responsible for the removal or damage to such bracing, dunnage or supports, and it will be optional with them to remove or return to shippers if not taken by consignees.

Rule 27. Southern Classification.

When required to protect and make secure for shipment property upon which C. L. ratings are applied, temporary

blocking, racks, standards, strips, stakes or similar bracing, dunnage or supports, not constituting a part of the car, must be furnished and installed by the shipper and at his expense, and the weight included with that of the property shipped; except that an allowance of actual weight will be made, but not exceeding 500 pounds, for dunnage, blocking, etc., when used to protect C. L. freight, in closed cars; provided, further, that in no case shall less than the specified minimum carload weight be applied.

The allowance for dunnage, icing, etc., is of no little importance to shippers of freight affected by these rulings, and due consideration should be given to the provisions in preparing freight for shipment and also with reference to stipulating the weight upon the bill of lading. It is as serious an offense to place an inadequate weight upon the bill of lading as it is to misdescribe a shipment. Shipments moving by express are given an allowance for icing, etc., and the express classification and tariffs should be studied with reference to this subject, provided the shipper is using that method for transportation of his merchandise.

CHAPTER V.

ROUTING SHIPMENTS.

§ 1. Shipper's Right to Route His Shipments as Defined by Law.
§ 2. Carloads.
§ 3. Less Carloads.
§ 4. Time Charts and Maps.

CHAPTER V.

ROUTING SHIPMENTS.

§ 1. Shipper's Right to Route His Shipments as Defined by Law.

There are many features to be considered in determining the desirability of routes over which traffic is to move. In Section 15 of the Act to Regulate Commerce the shipper is given the right to route his freight. This section reads as follows:

In all cases where at the time of delivery of property to any railroad corporation being a common carrier, for transportation subject to the provisions of this Act to any point of destination, between which and the point of such delivery for shipment two or more through routes and through rates shall have been established as in this Act, provided to which through routes and through rates such carrier is a party, the person, firm or corporation making such shipment, subject to such reasonable exceptions and regulations as the Interstate Commerce Commission shall from time to time prescribe, shall have the right to designate in writing by which of such through routes such property shall be transported to destination, and it shall thereupon be the duty of the initial carrier to route said property and issue a through bill of lading therefor as so described, and to transport said property over its own line or lines and to deliver the same to a connecting line or lines according to such through route, and it shall be the duty of each of said connecting carriers to receive said

property and transport it over the said line or lines and deliver the same to the next succeeding carrier or consignee according to the routing instructions in said bill of lading: Provided, however, that the shipper shall in all instances have the right to determine, where the competing lines of railroad constitute portions of a through line or route, over which of said competing lines so constituting a portion of said through line or route his freight shall be transported.

If, therefore, the shipper elects to avail himself of the privilege of directing the route over which his traffic shall move it is incumbent upon him to select a route over which the lowest rate will apply, or one which will give him superior service in the event of his electing to pay a higher rate than it might otherwise be necessary for the transportation of his merchandise. There are many factors governing the routing of traffic other than service and the saving in a differential rate as compared to a standard rate. Reciprocity between the carrier and shipper, as in purchasing supplies, etc., is frequently a consideration.

The manufacturer of railroad supplies may have as a customer one of the trunk lines and be desirous of favoring that line with as much of his business as possible in reciprocation for the railroad company's business. The character of the commodity is usually the principal determining factor as to the route over which it shall move. Perishable freight would invariably be routed via the lines providing the shortest time in transit. From East to West there are two governing routes, the standard route, which takes the regular standard class and commodity rates between eastern and western points, and the differential routes, which have a scale of rates lower than the standard rates by reason of their slower time. The stand-

ard routes are the more direct routes and offer the superior service, whereas the differential routes are made up of combination of water and rail lines and lines the physical conditions of which make the service inferior to that of the standard lines. In their bid for traffic the differential lines must therefore offer some inducement to the shipper. The lower class of commodities and material not requiring fast time in transit would find an advantage in moving over the differential routes, which although offering slower service also offer reduced freight charges. The higher class of commodities and those which would not permit of transferring from steamer to cars, and cars to steamer, would of necessity move via the standard route. Climatic conditions might also have their effect in determining the routing of certain commodities; for instance, in the winter months when conditions are extremely severe in the northern portion of the country it might be advantageous to transport material across the continent via the southern route, where such severe weather conditions would not interfere with the speedy transportation of the merchandise.

There can be no set of rules laid down for the routing of traffic, as so many conditions entering into the mater would have a bearing upon and influence routing that it would be the exception and not the rule that would govern. As a usual thing fast service is very desirable to the shipper, and ability to reach a given market more speedily than his competitor in many cases might influence certain business in his direction. In determining upon the route between shipping point and various destinations, therefore, the traffic manager studies the different lines operating between the points and determines upon those which uniformly gave the best service. Each line strives to equal the time of its competitor between given points, but

geographic location and conditions over which there is no control have their influence, although often a line is able to provide superior service between two points even though its mileage may be greater than that of its competitor. It does not follow, therefore, that the mileage of the respective lines shall be the determining factor as to routing shipments requiring fast transportation as all the contributory elements of transportation must be considered. One road may be shorter between two points, but be single tracked, whereas its competitor, even though it occupy an unfavorable location so far as mileage is concerned, may have two tracks between competing points, and the density of traffic therefore being relieved, the longer road be enabled to uniformly make better time than the shorter line, and consequently offer superior transportation facilities. In routing competitive business where there is little difference in service it is sometimes desirable for the traffic manager to favor lines with which he may be working for concessions in freight rates, etc., applying to non-competitive business.

Where there is no through rate in effect it is incumbent upon the shipper to so route his traffic that the combination of local rates will be the lowest total charge between the two points. Where there is a through rate that through rate invariably governs, even though the combination of local rates may be less, but as a usual thing, a carrier having such a condition called to his attention would reduce the through rate to the sum of the locals, and if unwilling to do so a complaint would rest with the Interstate Commerce Commission and that body would ordinarily order the through rate reduced to the sum of the locals.

It is sometimes possible to ship to some intermediate point and there reship to destination at a lower charge than would apply if shipped on through bill of lading from originating point to destination. To do this it is necessary that shipper or his agent actually take delivery of the shipment at the reconsigning point and then reship as a new shipment. This becomes necessary as the Interstate Commerce Commission declines to allow the railroads to act as the shipper's agent in such transactions.

As an illustration of this, the rate on "poultry food" from points in New York State taking New York rate basis to San Francisco and other Pacific Coast points is $1.10 per hundred pounds, whereas the rate from New York to Chicago on this commodity is 26.3 cents per hundred pounds. There is a commodity rate on "poultry food" from Chicago to California points of 60 cents per hundred pounds, making the total rate on business reshipped at Chicago considerably lower than the through rate applying on "poultry food" shipped directly from New York to Pacific Coast points. Many other commodities can be handled the same way.

The Transcontinental Freight Bureau publishes a basis of rates which are applicable from Eastern points and other rates which are applicable only from Chicago and points in the Middle West. If the class (or commodity) rates from eastern points to Chicago or other middle western points plus the commodity rate applying only from the middle western points make a lower total rate than the through class or commodity rate on the article shipped, the benefit of the difference can be obtained by reshipping at the middle western point. The shipper having no office or regular representative in the middle

western city would employ a shipping agent of which there are many in each of the principal cities, and pay him for his services. The charge for such service, where it is not necessary to take physical possession and perform carting, is usually not more than $3.00 or $4.00 per car.

Almost immediately after the Panama Canal was opened the rail carriers felt the very strong competition, and took steps to conserve the trans-continental traffic in so far as possible.

The Sunset Gulf Route, which operates from New York by boat to Galveston, and thence by rail to the Pacific Coast Terminal, proposed a basis of rates to apply only from and to terminal points, which on many articles was as low as 40 cents per hundred pounds. In order to put this basis in effect it became necessary to ask the Interstate Commerce Commission for permission to violate the fourth section of the act. The Commission, after carefully reviewing all the facts and circumstances, decided that a suspension of the operation of the fourth section of the act was fully warranted in this relation, as the interior points would not be injured as they would secure advantage of the low rates, plus the legal rate applying on the back haul. In this way the carriers were able to conserve a great amount of tonnage and the consumer benefited through the reduction in the rates.

A customer may have a factory or warehouse located on a competitive road at a certain destination, and freight received over other lines might be subject to a switching charge. In that event it is necessary that shipper be advised that he may properly route the traffic so that it will arrive over the road on which the con-

signor is located and thereby avoid the switching charge. It will be seen that it is necessary that the shipper study conditions surrounding the traffic to each particular destination. The freight rate cards hereinbefore referred to on which are shown routing, etc., are of great assistance to the traffic manager when transmitting instructions to the shipping clerk. The traffic manager makes particular study of the different localities and points to which and from which his freight is consigned, and after determining the lowest rate between the points employs a system of recording superior service. By consulting his tracing records covering a period of time sufficient to allow for any peculiar or unusual circumstances applying to shipments moving at a time when abnormal conditions prevailed he can determine the route averaging the fastest time.

§ 2. Carloads.

The routing of carload freight and the prompt and satisfactory handling thereof is more simple than that of less-than-carload freight. The movement of a full car is more usually with dispatch, as the car is not held for additional traffic or to unload other freight which may also be contained in the car. It is advisable in routing carload traffic to avoid so far as possible unnecessary transfer from one road to another and as a usual thing the fewer junction points a car passes through the less delay will be encountered. A car moving a distance of a thousand miles and over five different lines could hardly be given as fast service as over one road extending the entire distance.

This condition is responsible for combination of sev-

eral short roads into what are called "fast freight lines." These operate over two or more roads and undertake to provide the same service which would be secured in shipping over one road. The shipper should study the tariffs applying between the points he is shipping from and to and observe the different routes over which the tariffs apply; then select a route which apparently offers superior service. If he is undecided as to which of several routes may be the most advantageous, agents of the initial carrier can, as a rule, offer him valuable suggestions. If the service over one route is found to be unsatisfactory he can then try the second or third route until he determines upon one which provides satisfactory service. By keeping in close touch with the soliciting agents of the carriers a shipper can inform himself as to superior service, and if he becomes friendly with such transportation agents they will usually advise him if some physical defect upon their line renders it inadvisable, from a quick service point of view, to continue favoring that road while such disability exists. It is always well for the shipper to route his shipments completely; that is, to specify the junction points through which he wishes shipments to move and to see that such junction routings agree with those designated in the tariffs. It is thus possible to keep in close touch with a shipment and know exactly and in minute detail the entire route over which the shipment moves. This phase of the subject, so far as tracing is concerned, is dealt with in a subsequent chapter.

The Chicago Association of Commerce, through its freight traffic committee, issues a weekly bulletin which enables the shipper to keep in close touch with the service

via the different routes from Chicago. Shippers at that point and those shipping in carloads to Chicago and distributing less-than-carload shipments from that point find this information of great assistance in determining from the experience of a great number of shippers upon the routes giving superior service.

§ 3. Less Carloads.

Many of the eastern concerns doing business in the West ship to such distributing points as Chicago, St. Louis, Denver, Minneapolis, Kansas City and New Orleans, and from there distribute their less-than-carload shipments to various points within a radius of five hundred miles. In so doing they obtain the carload rate of freight on the bulk of their merchandise for the major portion of the haul. A shipper consigning a carload of merchandise to Chicago would obtain on most of the roads operating out of Chicago, package car service. The Lake Shore operates package cars to Adrian, Mich.; Ashtabula, Ohio, etc., while the Michigan Central operates such service to Battle Creek, Mich., Bay City, Mich., and other principal points. Nearly all of the principal lines radiating from Chicago have package car service to the principal points upon their rails, to which less-than-carload freight in volume would move.

Traffic organizations having to deal principally with large volumes of less-than-carload shipments find package car service and special service on less-than-carload shipments are being widely developed by the carriers. Through package cars are those operated or containing less than carload shipments which are destined to a given point where they break bulk. In some cases such cars are

loaded with packages of freight for one station only, whereas they sometimes contain shipments for many points beyond the station to which they are destined as a "solid" car.

Shipments in package cars are loaded by one consignor of a variety of consignments or are loaded by a number of different consignors, but all for a given point where bulk is broken. For instance, a shipper may load a car with 30,000 pounds of various kinds of less-than-carload shipments for points in the vicinity of Chicago. The car is billed through to Chicago and bulk is broken at Chicago and the shipments distributed to points of destination. Or the package car may contain shipments from a number of different consignors to points in the vicinity of Chicago and be handled through under seal to Chicago, where bulk is broken and the shipments are distributed. This has the effect of providing a through service, and one as fast as the ordinary carload shipment would be given between the originating point and a point near the final destination. In a package car to Chicago there might be shipments destined east of Chicago; for instance, Michigan City traffic might be loaded in this car to advantage, as the service of carload movement to Chicago and back haul to Michigan City would assuredly be faster than less-than-carload movement from New York or Boston direct to Michigan City. The shipper should carefully study the use of the package cars and familiarize himself with the service offered by the initial and connecting carriers. By making proper notation on his routing and rate cards with reference to package car movement he is at all times in possession of such information as will enable him intelligently to furnish the shipping

clerks with routing and other instructions governing less than carloads. Package cars are given preferred movement and are more expeditiously handled at junction points than the ordinary car of miscellaneous less-than-carload shipments. Of course the carriers so far as possible seek to fill the cars, and to do so their claim of fast service must be supported by the facts as to the movement of the cars. The shipper must decide whether or not his shipments are of such a character as to require service in preference to rate, or rate in preference to service.

In the summer season one is enabled to ship either all rail, or rail and lake at a differential rate, or ocean and rail also at a differential rate, or again via the Long Island Sound ports at a differential rate, or he may ship via the Hudson River and canal and lake at a still greater differential rate. On the reverse movement, Chicago to New York, the shipper has the preference of using the all rail, or the lake and rail, or the rail and ocean routing via the Kanawha Dispatch through the Virginia ports.

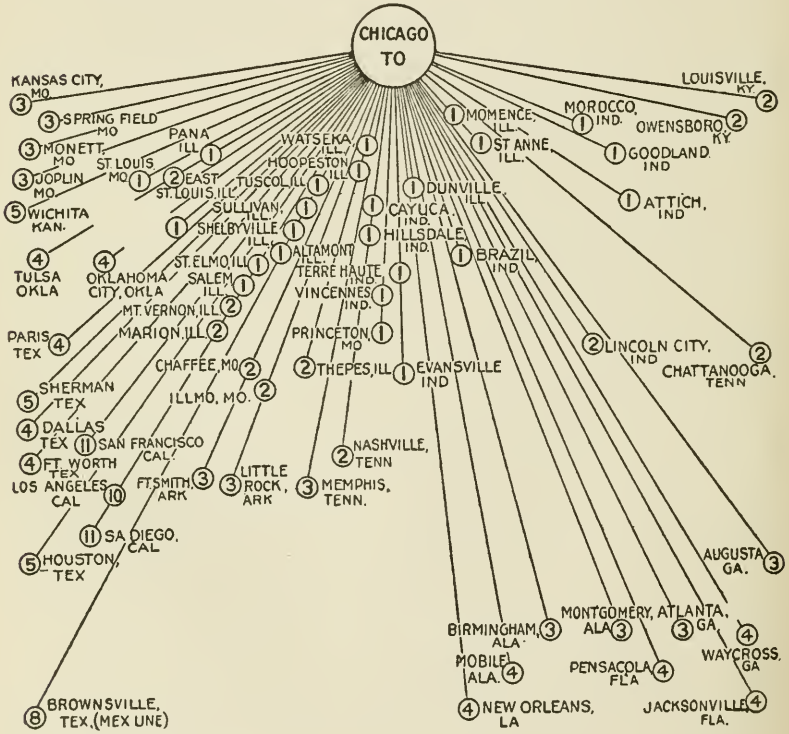
In the winter the rail and lake, and canal and lake, traffic is of necessity impossible, but the year round the shipper is able to use the ocean and rail routing between New York and Chicago and other western points if he so desires.

The importance of proper routing is nowhere more emphatically impressed upon one's mind than by the estimate that in this country there are 600,000,000 rates and rate combinations in effect. Without knowledge of rate structure and rate basis and tariffs governing his routings, a shipper can hardly hope to obtain transportation at the lowest cost.

§ 4. Time Charts and Maps.

For the sake of ready reference it is advisable to pre-

pare time charts and maps which at a glance will tell the approximate time required between given points. If desirable to do so this can be worked out in great detail and will be of the greatest assistance in enabling the shipper to route his traffic so as to obtain the quickest possible time and also to enable him intelligently to advise his sales department as to length of time usually required from shipping point to a given destination. A striking illustration of such a time chart and map is the following outline, prepared by the Chicago & Eastern Illinois Railroad.



EXPLANATION.

(1)—First morning or day delivery.
(2)—Second morning or day delivery.
(3)—Third morning or day delivery.
(4)—Fourth morning or day delivery.
(5)—Fifth morning or day delivery.
(8)—Eighth morning or day delivery.
(10)—Tenth morning or day delivery.
(11)—Eleventh morning or day delivery.

Small figures in parentheses indicate day of delivery of MERCHANDISE FREIGHT after leaving St. Louis.

Ada, Okla. (4)
Altus, Okla. (4)
Ardmore, Okla. (5)
Arkansas City, Kan. (4)
Ashdown, Ark. (5)
Augusta, Kan. (4)
Aurora, Mo. (3)
Avard, Okla. (4)

Baxter, Kan. (3)
Blackwell, Okla. (4)
Blytheville, Ark. (1)
Burrton, Kan. (4)

CALIFORNIA.

Los Angeles (11)
San Francisco (12)
San Diego (13)
Points on A. T. & S. F. Coast Line, route Frisco, care A. T. & S. F. via WAYNOKA, OKLA.

COLORADO.

Denver (6)
Colorado Springs (6)
Pueblo (6), via Frisco, care Santa Fe, at Burrton, Kan.

Campbell, Mo. (1)
Cape Girardeau, Mo. (1)
Carterville, Mo. (3)
Carthage, Mo. (3)
Chandler, Okla. (4)
Cherokee, Kan. (4)
Cherryvale, Kan. (4)
Chickasha, Okla. (4)
Claremore, Okla. (3)
Clinton, Mo. (4)
Clinton, Okla. (4)
Columbus, Kan. (3)
Crystal City, Mo. (1)
Custer City, Okla. (4)

Darrow, Okla. (4)
Davenport, Okla. (4)
Denison, Tex. (5)
Dallas, Tex. (3)
Durant, Okla. (4)

Ellsworth, Kan. (4)
Enid, Okla. (3)
Eureka, Mo. (1)

FORT WORTH, TEX. (3)
Fairland, Okla. (3)
Festus, Mo. (1)
Frederick, Okla. (4)
Fredonia, Kan. (4)
Fort Gibson, Okla. (2)
Fort Scott, Kan. (4)
Fort Sill, Okla. (4)
FORT SMITH, ARK. (2)

Galena, Kan. (3)
Girard, Kan. (3)
Granby, Mo. (3)
Gravette, Ark. (3)
Galveston, Tex. (5)

Hallett, Okla. (4)
Harrisonville, Mo. (4)
Henryetta, Okla. (4)
Hobart, Okla. (4)
Holdenville, Okla. (4)
Hope, Ark. (5)
Houston, Tex. (5)
Hoxie, Ark. (3)
Hugo, Okla. (3)

Jennings, Okla. (4)
Jonesboro, Ark. (3)
JOPLIN, MO. (2)

Lamar, Mo. (3)
Lawton, Okla. (4)
Liberal, Mo. (3)
Lilbourn, Mo. (1)
Luxora, Ark. (1)
Luther, Okla. (4)
Lyons, Kan. (4)

Malden, Mo. (1)
Marston, Mo. (1)
Mansfield, Ark. (3)
MEMPHIS, TENN. (2)
Midway, Kan. (3)
Minden, Mo. (3)
Montreal, Ark. (3)
Morehouse, Mo. (1)
Morley, Mo. (1)
Mound Valley, Kan. (3)
Muskogee, Okla. (3)
Monett, Mo. (2)

Neodesha, Kan. (3)
Neosho, Mo. (3)
Nettleton, Ark. (3)

O'Keene, Okla. (4)
Okmulgee, Okla. (4)
Oklahoma City, Okla. (3)
Olathe, Kan. (4)
Oran, Mo. (1)
Oronogo, Mo. (3)
Oswego, Kan. (3)

Pacific, Mo. (1)
Paola, Kan. (4)
Paris, Tex. (3)
Parsons, Kan. (3)
Pawnee, Okla. (4)
Perry, Okla. (4)
Pittsburg, Kan. (3)
Pleasanton, Kan. (4)
Poplar Bluff, Mo. (2)
Poteau, Okla. (3)

Quanah, Tex. (4)

Rogers, Ark. (3)
Rich Hill, Mo. (4)

Sedgwick, Ark. (3)
Seligman, Mo. (3)
Severy, Kan. (4)
Sapulpa, Okla. (3)
Sherman, Tex. (4)
Sikeston, Mo. (1)
Springfield, Mo. (2)
Sulphur, Okla. (5)

Tulsa, Okla. (3)

Valley Center, Kan. (4)
Valley Park, Mo. (1)
Van Buren, Ark. (3)
Vernon, Tex. (4)
Vinita, Okla. (3)

Walnut Ridge, Ark. (2)
Waynoka, Okla. (4)
Weleetka, Okla. (4)

Wellston, Okla. (4)
Westville, Okla. (2)
Wichita, Kan. (3)
Williamsville, Mo. (2)
Winfield, Kan. (4)
Wister, Okla. (3)

This plan can be carried out as to any central point from which shipments move, and the shipper will find that the initial carriers will co-operate with him to determine the schedule time in transit over its own as well as connecting lines.

CHAPTER VI.

TRACING.

§ 1. Records and Forms.

CHAPTER VI.

TRACING.

There is no part of the transportation business which is so much overdone and abused as tracing. Railroads daily receive thousands of telegrams and letter tracers demanding the whereabouts of shipments which have only very recently left originating point and which have had insufficient time to reach destination. The idea seems to prevail, especially with the uninitiated, that a tracer hastens the movement of a car. Such is far from the fact. A tracer does nothing whatever to hasten the movement of a carload or less carload shipment. A shipment which is detained at some junction point, or which is being delayed in transit, and which is traced, would be prevented from further delay, but indiscriminate tracing and the tracing of less than carload shipments, when they have only been on the road a short time, accomplishes no good and prevents the proper operation of a tracer on a delayed shipment. A consignment sent out one day and a tracer the next result in the tracer immediately catching up to the way billing covering the shipment and being attached to the billing which it accompanies through to destination. Therefore the tracer itself has not accomplished its purpose. Had the shipment been delayed an unreasonable length of time and a tracer then started it would have reached the shipment at the delayed point and doubtless

have caused its movement forward to destination without further interruption. Shippers are frequently said to be entirely responsible for the vast amount of unnecessary tracing. The writer's personal observation is that the railroad's officials and traffic solicitors themselves contribute largely to the abuse which has reached such enormous proportions.

Competitive traffic is strenuously solicited and the solicitor almost invariably requests the shipper to advise him when the car or shipment goes forward that he may obtain due credit for having secured such traffic. The freight solicitor then takes the record of the car and proceeds to trace it to assure himself that good time is made—at least that is the excuse he gives for tracing it—and advises the shipper of the time of arrival at destination. This assuredly is good service in so far as the information is concerned, but whether or not the shipper may ask for such information, it is usually forthcoming on all competitive traffic. On the other hand, if the shipper fails to trace, and relies upon the railroad company to see that proper dispatch is given to his shipments, he is apt to encounter serious difficulties.

The writer knew of a case where a consignor in Chicago shipped a carload of material urgently required by a firm in Boston; inadvertently the shipment was not traced. The car passed through to the junction point in New York State, where it was transferred from one railroad to another, and as the equipment of the car became damaged, the connecting line returned the car to its connection, which held the car under load for fifteen days while the equipment was undergoing repairs. In the meantime the consignee's supply of material became exhausted, and he was obliged to close his plant, entailing great loss and enforced idleness to some two hun-

dred men. Obviously the railroad company was at fault in not transferring the load to another car. Had the shipment been properly traced the delay would probably not have occurred, as it would have been discovered within a reasonable length of time that the car was being detained at the junction point undergoing repairs. The traffic official tracing the car would then have ordered the contents transferred to another car and immediately forwarded toward destination. Cases of this sort impress upon one the importance of tracing cars where the contents are urgently needed, and considerable system is necessary that proper data, etc., may be kept and that particular shipments be not overlooked in the routine of business. The writer only decries indiscriminate and unnecessary tracing.

In some railroad offices the general freight department handles all tracers; in others the car accountant is the official who follows the movement of cars, while in still other organizations the superintendent or operating head will report on tracers to consignors or consignees. On competitive traffic superior results are usually obtained through tracing with the official who solicits the business, while on non-competitive traffic it is generally advisable to trace through the general freight department unless referred to some other department.

Opinions differ as to the advisability of tracing any shipment until it has first had time to reach destination in the ordinary course of transportation. Undoubtedly cars which are urgently required are given faster movement than ordinarily would be the case when a responsible traffic official calls the attention of the operating department, at the different junction points, to the necessity for quick transfer and prompt dispatch from such transfer points. The indiscriminate tracing of less-than-carload

shipments, however, is to be avoided. In the first place, it is rarely the case that the car record of a less-than-carload shipment would be the same through to destination unless the shipment weighed sufficient to make it inadvisable to transfer at connecting points. Prompt delivery of less-than-carload shipments which are consigned to some point where delay in transit might otherwise result, may be secured if traced through the proper channels.

To secure satisfactory results a tracing system must be employed whereby confusion will be avoided. If the traffic department receives a copy of the bill of lading covering all shipments it is a very simple matter for the tracing to be carried on in a systematic manner and proper records made. When goods are sold on the basis of cash upon arrival at destination it is especially necessary for consignor to know of the arrival of such shipments.

§ 1. Records and Forms.

A car record which has been found to be effectual contains the following information:

(1) Date shipped.
(2) Car No. and Initial.
(3) Contents.
(4) From.
(5) Destination.
(6) Routing and Junction Passing.
(7) Date delivered.

It will be observed that this shows the date shipment leaves the originating point, car initial and number, contents and how routed, and space is provided for time of passing junction points.

When shipping report reaches the traffic department full information is inserted on the car record and at the same time the tracing clerk dispatches to the traffic official with whom the car is to be traced a postal card or letter embodying information as to the movement of the car and requesting that it be traced and information furnished respecting its movement. A form of postal card similar to the following is sometimes used:

New York.....191...

Dear Sir:—

Please trace the following shipment and advise date of delivery (to your connection).

From..... Date.....
Car No.....Initial.....
Contents .....
Consignee .....
Destination .....
Shipped in name of.....
Route .....

Yours truly,

Traffic Manager.

While this has particular reference to carload shipments, the same form can be employed in tracing less-than-carload shipments, the only difference being that if the car initial and number is not known it will be advisable to address the tracer to the billing point that the agent may insert information as to waybill and number and initial of the car in which the shipment was loaded, etc. This is necessary before the tracer can be forwarded to the first junction point to obtain the desired passing

information. In tracing a shipment in this manner it would only be necessary to mail such a postal card or letter to the originating carrier, who would trace the car for delivery to its connection, or if desired through to destination. If the car was traced only to connection with the originating line, then the passing to the second road would be recorded on the tracing blank and the second road would trace for delivery to its connection, or through to destination. After advice is received that shipment has been delivered, record is made on the tracing sheet, and so far as the tracing clerk is concerned the transaction is closed.

Information obtained in tracing may be used to determine the probable time in transit of future shipments and also for reference in case of dispute between shipper and consignees as to the arrival and delivery of the car. Using this form in tracing with the delivering roads instead of requesting delivery to connection, the shipper would, of course, strike out the words "to your connections" and the postal would then read, "Please trace the following shipment and advise date of delivery." The increasing demand of shippers to be informed as to the whereabouts of their shipments has resulted in highly efficient methods being employed by the operating departments of the carriers to inform the traffic departments of the movement of all cars over their rails. The car service department usually advises the traffic department each day of the cars passing the different junction points. This enables the traffic department instantly to grant the shipper's request for information concerning the whereabouts of his cars. Information as to passing of junctions frequently is so minute as to include the hour and minute in the tracing record. In the event of damage to a car the

shipper would, if this method were employed, be advised of it within a very few hours, and if the damage were of such a character as necessitated duplication of the order, the sales department and the manufacturing department could in turn be promptly advised and another shipment dispatched without unnecessary delay.

No carrier is bound to transport property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch unless by specific agreement endorsed on the bill of lading, but each carrier strives to provide fast and reliable service.

Damages resulting from non-delivery of goods at an expected and desired time are very hard to establish and collect, and the shipper should use his own efforts to assure himself that the consignment goes through to destination in time for his purpose. A tracing system operated in an intelligent manner, and if the tracing privileges are not abused, will become highly efficient and a valuable asset to a manufacturing concern. Indiscriminate tracing, and particularly requests for information respecting less than carload and unimportant shipments, is a hardship to the carriers and prevents their giving efficient tracing service to shippers. Discretion should be displayed in the use of tracers and they should be reduced to a minimum without affecting adversely the results that it is necessary to obtain in the prompt handling of important shipments.

It frequently becomes necessary for a shipper to divert or to hold and return, or to stop in transit, shipments which may have been consigned by him. In doing this the railroad company acts as the agent of the shipper and requires that the shipper execute a bond of indemnity.

Bond of Indemnity.

.....

To.....Railway Co.:

On Bill of Lading issued at.....

No....., ...191.., the undersigned shipped by.....Railway Co., the following described goods, viz., ...

.....

.....

Marked: .....

Billed as.....from.....to.....

.....19..., Way-bill No....., Car No.....

Please use all available means to stop for.....the above mentioned articles before delivery to consignees, for the reason that.....

and dispose of them as follows:.....

.....

and in consideration of your efforts in.....behalf,..... hereby agree to indemnify you against, and save you harmless from, any suit or legal proceeding, loss, damage, liability, expense, counsel fees, cost and charges arising from or caused by your complying, or attempting to comply, with this request.

The meaning or intent of this agreement being that you are to act as.....Agent in this transaction, but are not to be liable for a failure to stop the above mentioned property, nor for loss, damage, delay, or overcharging arising on this shipment.

.....

.....

Witness.....

CHAPTER VII.

CLAIMS.

§ 1. Loss and Damage.
(1) Papers Necessary.
(2) Forms.
§ 2. Over-charge.
(1) Papers Necessary.
(2) Forms.
(3) System of Tracing and Collecting Claims.
(4) Records and Claims.

CHAPTER VII.

CLAIMS.

It has often been said that the one disagreeable feature of the industrial traffic manager's work is the handling and adjustment of loss and damage and overcharge claims. A claim department conducted in the spirit of fairness need not involve the manager in disagreeable or annoying situations. The present policy of the railroads is to adjust claims expeditiously, and there are very few freight claim agents who resort to unfair or dilatory tactics in the handling of the claims presented to them. All common carriers must now periodically furnish to the Interstate Commerce Commission a statement of all claims on hand, and they are naturally very desirous of having the fewest possible number of claims pending when such reports are made.

The policy of handling freight claims has been dealt with somewhat completely in a preceding chapter, but it might not be unwise to be even more specific. No claims of a questionable character should be presented to the carriers, and when claims are just, reasonable, and lawful in every respect, they should be prosecuted to completion. It does not follow that the mere fact that the claim has been declined by the carrier renders it invalid or improper.

A sufficient illustration of this point is found in a statement by one of the eastern trunk lines that during a given

month it declined 1,354 claims, which included both loss and damage and overcharge, but of this number was forced to reopen some 520 on account of the fact that their declination was not accepted by the claimants who believed their claims to be just, and insisted upon continuing their prosecution. It is an unusual policy of the carriers, however, to arbitrarily decline claims unless there is some fault with the form or merit of the claim. It should be borne in mind that it is incumbent upon the claimant to put his claim in proper form and submit all the necessary documents required for substantiation of the claim if he desires the claim given prompt and continuous attention until it is adjusted. Claims should be presented by the owners of the property, and if the shipment is sold delivered, the consignor is the proper party to make the claim. On the other hand if the shipment is sold f. o. b. shipping point, and title to the shipment is taken by consignees, they become the owner of the shipment at the originating point. Then consignee would make the claim for loss or damage or overcharge.

The railroads ordinarily do not make particular inquiry as to the ownership of the property, however, and if a claim is supported by proper documents it will be entertained and adjustment made to the claimant. It is, of course, necessary that the claimant's right and title to the goods be established, but this is usually taken for granted, particularly when a responsible concern presents the claim. The law in most of the states requires that a carrier shall deliver a shipment to the one who presents the original bill of lading in proper form, but it does not follow that anyone presenting a bill of lading might obtain possession of valuable property without satisfying the carrier that he was entitled to receive it.

Upon receipt of a claim in the freight claim depart-

ment of a railroad, papers first go to a clerk, who records the claim on a card index and attaches a back or claim file blank to the papers. These are then turned over to a higher official in the department, who examines the claim as to cause, and determines whether or not all of the necessary papers and documentary evidence supporting the claim have been submitted. If not, this official will either return the claim declined to the claimant or write requesting that such additional papers as may be required be submitted, that the claim may undergo investigation. At the time the claim is recorded a postal card giving the railroad company's claim number, etc., is sent to the claimant, which is an acknowledgment of the receipt of the papers. Assuming that the claim is in due form, whether it be for loss or damage or overcharge, it is usually submitted to the originating point of the shipment for information as to date and number of way bill and other information which is required from the agent at the originating point. To obtain data of this character the freight claim departments use a form which contains nearly every question that might be necessary to ask with reference to a shipment. This form is attached to the freight claim papers and opposite the number of the question relating to the facts that are desired the clerk inserts an "X," and the recipients of the papers must in turn answer the question so marked. This inquiry form is as follows:

A. B. C. RAILROAD CO.
Freight Claim Department.

New York, N. Y.....19...

Mr.....Claim No.....
.....Nature .....

JOHN BROWN,
Freight Claim Agent.
Per.....

PLEASE NOTE SECTIONS MARKED X AND COMPLY.

1	Attach copy or statement of billing to and from your station.	11	Show delivery to connecting line.
2	Attach copy of transfer to or from connecting line.	12	Are you still short?
3	Advise full record of your checking and conditions of shipment when received and forwarded.	13	Did you check over? Was car made entirely empty? If not, to what point forwarded.
4	Advise into what car loaded and for what point carded.	14	Advise time received and forwarded, and if any delay, state cause.
5	If O. S. & D. report issued, attach copy.	15	Attach certificate of weight. How was billed weight obtained?
6	Advise seals in and out of your station, giving marks and impressions.	16	Advise your authority for rate shown on bill of lading and for rate and divisions shown on way-bill.
7	Was car inspected; by whom and with what result; what kind of inspection was made? If there were any defects, state whether old or new.	17	Advise on what basis you settled with connecting line.
8	Note shipment on hand and procure orders for disposal.	18	Dispose of property to best advantage, making remittance of proceeds to Treasurer as per Circular F. 31.
9	Advise when loss or damage was discovered, and by whom. Was it apparent from external inspection?	19	If charges were guaranteed, collect amount from shippers and advise this office.
10	Attach exact copy of receipt you hold from consignees.	20	Forward shipment as requested, allowing all charges to follow attaching copy of your billing.

21	Is damage of such a nature as to render property worthless? What disposition made of same? Is not the salvage of some value?	26	Note result of investigation. No liability with this Company. Have closed my records.
22	If weighed by you, give gross tare and net weight. Was tare taken as stenciled or estimated? Was car weighed in train or cut loose? Give in detail all allowances made in arriving at tare weight.	27	Our proportion is less than voucher minimum. Claim is respectfully declined.
23	Have claimants say how they arrived at amount of claim, giving authority for rate, and attach copy of quotations if any.	28	Please authorize for $....., your proportion as per L. & D. rule 40 of F. C. A.
24	Complete investigation and advise settlement.	29	Draft authority, for proportion due from this Company, attached.
25	Note delivery in full now shown, with which information I trust you will be able to secure withdrawal of claim.	30	Show forwarding of cars.

.....
.....
.....
.....
.....

After all the facts have been obtained from the agent at the originating point as to the dispatch of the shipment and the collection of freight charges, if any, papers are then forwarded to the next point where the shipment was handled. If it be a matter of loss and damage it will be investigated at the first junction point or

first point where transfer was made and the contents of the car handled. By tracing the way-billing on loss and damage shipments carriers are usually able to determine just where the damage or loss occurred and, if the shipment be an inter-line movement, ascertain whether the loss or damage occurred on its rails or with its connections. If the originating carrier holds a clean receipt of shipment being delivered to its connections, then its responsibility ends and the connecting carrier is responsible for the delivery of freight to its connection or at destination; however, the claimant may look to the originating carrier issuing the bill of lading for reimbursement for any loss or damage which may have occurred. Some railroads when claims are presented to them as the originating carrier, and where they are able to establish that a proper delivery was made to the connection carriers, will ask the claimant to withdraw his claim and present it to the delivering carrier, but in the majority of cases originating lines are willing to investigate and complete the claim for claimant if there are proper grounds for the claim, even though the originating carrier may have made proper delivery to its connections. If a loss and damage or an overcharge occurred, originating carrier will obtain reimbursement from the carrier who is at fault and in turn pay the claim.

After the responsibility for the loss, damage or overcharge has been placed, papers are reforwarded from the road on which the damage, loss or overcharge occurred to the claim agent who originally received the claim, with authority for settlement, if it be an inter-line claim. If it be an overcharge, and each of the carriers has collected an excessive amount, or a portion of the excessive amount, each carrier agrees on reimbursement to the claimant of its proportion of the overcharge.

Voucher is then attached to the claim papers and duly approved by the proper executive officers of the carrier and claimant is reimbursed for the amount involved.

Claimant should invariably keep copies of every document submitted in support of claims that in the event of the original papers being lost he may be able to continue the prosecution of his claim with duplicate documents. In the event of a claim being declined claimant is entitled to have all his original papers returned to him.

For a number of years the Uniform Bill of Lading has contained a statement that all claims for loss or damage shall be presented within four months after delivery of the property or in the case of failure to make delivery, then within four months after a reasonable time for delivery has elapsed, and unless claims were so made the carriers denied their responsibility. This regulation was never actively enforced until about January 1, 1914, when the Freight Claim Agents' Association members agreed, after a conference with the Interstate Commerce Commission, that they must interpret all terms of the Bill of Lading strictly and adhere to them, and they decided that after that date they would entertain no claims unless made in accordance with that provision. This regulation, of course, applies only to loss and damage claims. It is important, however, that papers covering both loss and damage and overcharge claims be submitted promptly, while the records are easily accessible and before any of the documentary evidence becomes mislaid or lost, and while the circumstances are fresh in the minds of agents and employees of both carrier and shipper.

Claims promptly presented are invariably handled and paid or declined with greater dispatch than those covering shipments made a considerable time prior to date of presentation of claims.

Prompt presentation of claims by claimant indicates his desire that claims be given immediate attention and adjusted without delay. If a claim is not presented within a reasonable length of time the carrier naturally reaches the conclusion that the claimant is not anxious about settlement. That the carriers are making great effort toward prompt and satisfactory handling of claims will not be disputed. The Freight Claim Agents' Association, which is made up of freight claim agents of the common carriers, is continually working out plans of procedure which will facilitate the handling of claims. In fact the constitution of the Freight Claim Agents' Association provides that the object of the association shall be the prompt settlement of freight claims with claimant and between carriers. Through co-operation between freight claim agents in this association, uniform systems have been adopted and an organization perfected to prevent disputes between carriers and provide for a speedy and satisfactory adjustment of all matters of dispute with reference to claims. The rules of the association provide for the division of responsibility and the percentage on which each carrier shall pay claims covering a loss or damage the exact responsibility of which it is impossible to determine. One of the rules provides that when it is impossible to determine which of the carriers is responsible for such loss or damage the claim, if found to be in order, shall be adjusted between the interested carriers on the basis of earnings, if it be for loss, and on a mileage basis if the claim represents damage.

In presenting a claim it should always be borne in mind that every relevant fact should be presented in proper form, and the shipper's position should be made as strong as possible, always keeping within absolute facts in the case. Every claim should be properly substantiated with all the

necessary documentary evidences that it may not be declined on the ground that it is not properly presented.

§ 1. Loss and Damage Claims.

Loss and damage claims represent actual waste to the carriers and in no way are they compensated for this dead loss. This outlay enters into the cost of the service and naturally tends to increase the freight rates on the commodities which are particularly liable to suffer through loss or damage. In the fiscal year of 1912 one hundred and seventy-two railroads in the United States, each having an income of more than $1,000,000.00 paid out in freight loss and damage claims, $25,577,082.00. This amount was 1.17 per cent of the freight revenue of $2,191,618,544.00, and 1.27 per cent of the total operating expense of $1,988,485,760.00. For the fiscal year ending July 1, 1915, the amount paid on account of loss and damage increased to over $36,000,000.00. This amount exceeds by $8,000,000.00 the interest on the national debt. Statistics show that from 1900 to 1910 an increase of 335 per cent occurred in the amount of freight claims presented. When one considers that the railroads are confronted with this enormous loss of over $36,000,000 per year from their revenue, it is little wonder that they carefully inspect and investigate all the facts appertaining to loss and damage claims before paying them.

(1) Papers Necessary.

A claim for loss and damage should contain a full statement of all the facts pertaining to the movement of the shipment as known by the claimant. In presenting a claim, claimant should give his name and address, the date the claim is presented, the amount of the claim, a complete description of the shipment, name and address of

consignor, name and address of consignee, where the shipment originated, and to whom it was consigned, the routing, name of the company issuing the bill of lading, the date of the bill of lading, pro number of the paid freight bill, number and initial of the original car. If shipment is re-consigned en route particulars should be furnished as to the reconsignment. A complete number and description should be given of all the articles, their nature, and the claim should stipulate the extent of the loss and damage, also the invoice price of the articles, and other details of like character. In fact a complete statement of all the facts is desirable. This should be accompanied by the original bill of lading, if not previously surrendered to the carrier, original paid freight "expense" bill, original invoice or certified copy and all particulars obtainable in proof of loss or damage. If the claim covers a concealed loss, affidavit should be made by shipper as well as by the receiving clerk of the consignee as to the exact nature of the shipment as packed and as found by the consignee. Claimant should assign to each claim a number which should be placed in a specific space provided for it on all his claims.

The amount of a loss and damage claim is determined by the amount which claimant would have received had his merchandise been delivered to consignee at destination in proper condition, unless under the terms of the bill of lading the shipment was consigned at released valuation or valuation expressed at a given amount per hundred pounds. Claimant may recover the freight charges paid on a shipment which is lost, provided the invoice price is determined at originating point; in other words, if the consignment was sold at $1.00 per hundred pounds, f. o. b. shipping point, and shipper prepaid 20 cents per hundred pounds, the amount of his claim would be determined on

state Commerce Commission, pursuant to Acts of Congress, the person filing the claim should know that all of these regulations applicable to the shipment had been complied with.

2. Carriers and their agents are bound by the provisions of law, and any deviation therefrom by the payment of claims before the facts and measure of legal liability are established will render them, as well as the claimant, liable to the fines and penalties by law. Attention is called to the following extract from the Interstate Commerce Commission Conference Ruling No. 68:

> "It is not the proper practice for railroad companies to adjust claims immediately on presentation and without investigation. The fact that shippers may give bond to secure repayment in case, upon subsequent examination, the claims prove to have been improperly adjusted, does not justify the practice."

3. In order that the carrier may have an opportunity to inspect goods and thereby properly verify claims, any loss or damage discovered after delivery should be reported to the agent of the delivering line, as far as possible, immediately upon discovery, or within forty-eight hours after receipt of goods by consignee.

4. Pending the settlement of any dispute or disagreement between the consignee and the carrier as to questions of loss and damage in connection with property transported, the consignee may avoid a possible accrual of demurrage or storage charges, as well as other loss or damage, by promptly accepting the property from the carrier. Such action on his part in no way affects any valid claim which may exist against the carrier.

5. Under the provisions of the sixth section of the Act to Regulate Commerce, it is unlawful for a carrier to charge or demand or collect or receive, any greater or less or different compensation for the transportation of property than the rates and charges named in tariffs lawfully on file, nor to refund or remit in any manner or by any device any portion of the rates and charges so specified. The refund or remission of any portion of the rates and charges so specified through the payment of fraudulent, fictitious or excessive claims for loss of or damage to merchandise transported is as much a violation of the law as is a direct concession or departure from the published rates and charges.

In this connection, attention is also called to the following important quotation from section 10 of the Act to Regulate Commerce:

> "Any common carrier subject to the provisions of this Act, or, whenever such common carrier is a corporation, any officer or agent thereof, or any person acting for or employed by such corporation, who, by means of false billing, false classification, false weighing, or false report of weight, or by any other device or means, shall knowingly and wilfully assist, or shall willingly suffer or permit, any persons or person to obtain transportation for property at less than the regular rates then established and in force on the line of transportation of such common carrier, shall be deemed guilty of a misdemeanor, and shall, upon conviction thereof in any court of the United States of competent jurisdiction within the district in which such offense was committed, be subject to a fine of not exceeding five thousand dollars, or imprisonment in the penitentiary for a term of not exceeding two years, or both, in the discretion of the court, for each offense."
>
> "Any person, corporation, or company, or any agent or officer thereof, who shall deliver property for transportation to any common carrier subject to the provisions of this Act, or for whom, as consignor or consignee, any such carrier shall transport property, who shall knowingly and wilfully, directly or indirectly, himself or by employee, agent,

Standard Form for Presentation of Loss and Damage Claims

Approved by The Freight Claim Association.

.....
(Claimant's Number) §

.....
(Name of person to whom claim is presented)

.....
(Address of claimant)

.....
(Carrier's Number)

.....
(Name of carrier)

.....
(Date)

.....
(Address)

This claim for $.....is made against the carrier named above by .....
(Amount of claim) (Name of claimant)

for .... in connection with the following described shipments:
(Loss or damage)

Description of shipment .....

Name and address of consignor (shipper).....

Shipped from ..... To .....
(City, town or station) (City, town or station)

Final destination ..... Routed via .....
(City, town or station)

Bill of Lading issued by.....Co.; Date of Bill of Lading.....

Paid Freight Bill (Pro) Number.....; Original Car Number and Initial.....

Name and address of consignee (Whom shipped to).....

If shipment reconsigned enroute, state particulars:.....

.....

DETAILED STATEMENT SHOWING HOW AMOUNT CLAIMED IS DETERMINED.

(Number and description of articles, nature and extent of loss or damage, invoice price of articles, amount of claim, etc.)

.....	.....
.....	.....
.....	.....
.....	.....
.....	.....
.....	.....
.....	.....
Total Amount Claimed	

IN ADDITION TO THE INFORMATION GIVEN ABOVE, THE FOLLOWING DOCUMENTS ARE SUBMITTED IN SUPPORT OF THIS CLAIM.*

( ) 1. Original bill of lading, if not previously surrendered to carrier.
( ) 2. Original paid freight ("expense") bill.
( ) 3. Original invoice or certified copy.
4. Other particulars obtainable in proof of loss or damage claimed:

....

.....

REMARKS .....

.....

.....

.....

The foregoing statement of facts is hereby certified to as correct.

.....
(Signature of claimant)

§ Claimant should assign to each claim a number, inserting same in the space provided at the upper right hand corner of this form. Reference should be made thereto in all correspondence pertaining to this claim.

* Claimant will please place check (x) before such of the documents mentioned as have been attached, and explain under "Remarks" the absence of any of the documents called for in connection with this claim. When for any reason it is impossible for claimant to produce original bill of lading, or paid freight bill, claimant should indemnify carrier or carriers against duplicate claim supported by original documents.

the basis of $1.20 per hundred pounds; $1.00 per hundred representing the value of the merchandise at point of sale, plus 20 cents per hundred freight charges which were paid on the consignment which was not delivered. If the price of the commodity was $1.00, f. o. b. destination, and the rate was 20 cents per hundred, then the amount of the claim, of course, would be but $1.00 per hundred, that being the amount that shipper would have obtained for his merchandise had it been delivered in proper condition at destination.

The agents of the delivering carrier should be immediately notified of damage to a shipment and given the opportunity of inspection before the consignment is utilized. The receipt for a damaged shipment should always bear a notation of the extent of the damage. Otherwise claim may be declined upon the ground that consignee receipted for the goods as being in good order.

(2) Forms.

Lack of uniformity in the presentation of claims has without doubt been responsible to a considerable measure for delay in adjustment. The Freight Claim Agents' Association has therefore prepared forms, together with a code of instructions, in connection with freight claims and adopted this as a standard, having first received the approval of the Interstate Commerce Commission, the National Association of Railway Commissioners, and the National Industrial Traffic League. This standard form is inserted.

The reverse side of the form carries a statement to claimants and important information respecting loss and damage claims.

There are doubtless many good forms to be used in the presentation of loss and damage claims, although it is

FORM 1942 S. 11-8-'13-5M

THE DELAWARE AND HUDSON COMPANY

TO CLAIMANTS:

Persons presenting claims to a carrier will expedite settlement by furnishing the carrier with a complete and detailed statement of all pertinent facts tending to establish the validity of their claims. It is the desire of carriers to settle promptly all valid claims, and the frank and hearty co-operation of the claimant is therefore solicited. *Delayed settlement of claims is frequently due to the failure of the claimant to furnish carrier with the necessary information and documents with which to make investigation and establish liability promptly. It should be borne in mind that carriers under the terms of the Act to Regulate Commerce are required to thoroughly investigate each claim before payment.* Claimants should, therefore, in every case furnish the carrier, as far as possible, with the information and documents called for on the other side of this form, even though there may be instances when it appears to the claimant that the information called for is more than necessary to establish the validity of the claim. There are claims, e. g., for concealed loss and damage in connection with which it may be necessary to call for additional information from the claimant before making settlement.

Claimants are requested to make use of this form for filing claims with carriers. Claims may be filed with the carrier's agent either at the point of origin or destination of shipment, or direct with the Claim Department of the carrier, and will be considered properly presented only when the information and documents called for on the other side of this form have, as far as possible, been supplied. A duplicate copy thereof should be preserved by the claimant.

Claimants should read carefully the information appearing below.

C. W. NASH, FREIGHT CLAIM AGENT, ALBANY, N. Y.

IMPORTANT INFORMATION TO CLAIMANTS RESPECTING LOSS AND DAMAGE CLAIMS

Before presenting a claim on account of loss and damage, the following important information respecting claims should be given careful consideration:

1. The terms under which property is accepted and transported by a carrier are stated on the bill of lading issued by the carrier; also in tariffs and classifications issued or subscribed to by the carrier. Persons intending to file claims should, before doing so, examine the terms and conditions under which property was accepted and transported. If any part of the shipment in question was subject to the Regulations for the Transportation of Explosives and Other Dangerous Articles prescribed by the Interstate Commerce Commission, pursuant to Acts of Congress, the person filing the claim should know that all of these regulations applicable to the shipment had been complied with.

2. Carriers and their agents are bound by the provisions of law, and any deviation therefrom by the payment of claims before the facts and measure of legal liability are established will render them, as well as the claimant, liable to the fines and penalties by law. Attention is called to the following extract from the Interstate Commerce Commission Conference Ruling No. 68:

> "It is not the proper practice for railroad companies to adjust claims immediately on presentation and without investigation. The fact that shippers may give bond to secure repayment in case, upon subsequent examination, the claims prove to have been improperly adjusted, does not justify the practice."

3. In order that the carrier may have an opportunity to inspect goods and thereby properly verify claims, any loss or damage discovered after delivery should be reported to the agent of the delivering line, as far as possible, immediately upon discovery, or within forty-eight hours after receipt of goods by consignee.

4. Pending the settlement of any dispute or disagreement between the consignee and the carrier as to questions of loss and damage in connection with property transported, the consignee may avoid a possible accrual of demurrage or storage charges, as well as other loss or damage, by promptly accepting the property from the carrier. Such action on his part in no way affects any valid claim which may exist against the carrier.

5. Under the provisions of the sixth section of the Act to Regulate Commerce, it is unlawful for a carrier to charge or demand or collect or receive, any greater or less or different compensation for the transportation of property than the rates and charges named in tariffs lawfully on file, nor to refund or remit in any manner or by any device any portion of the rates and charges so specified. The refund or remission of any portion of the rates and charges so specified through the payment of fraudulent, fictitious or excessive claims for loss of or damage to merchandise transported is as much a violation of the law as is a direct concession or departure from the published rates and charges.

In this connection, attention is also called to the following important quotation from section 10 of the Act to Regulate Commerce:

> "Any common carrier subject to the provisions of this Act, or, whenever such common carrier is a corporation, any officer or agent thereof, or any person acting for or employed by such corporation, who, by means of false billing, false classification, false weighing, or false report of weight, or by any other device or means, shall knowingly and wilfully assist, or shall willingly suffer or permit, any persons or person to obtain transportation for property at less than the regular rates then established and in force on the line of transportation of such common carrier, shall be deemed guilty of a misdemeanor, and shall, upon conviction thereof in any court of the United States of competent jurisdiction within the district in which such offense was committed, be subject to a fine of not exceeding five thousand dollars, or imprisonment in the penitentiary for a term of not exceeding two years, or both, in the discretion of the court, for each offense."
>
> "Any person, corporation, or company, or any agent or officer thereof, who shall deliver property for transportation to any common carrier subject to the provisions of this Act, or for whom, as consignor or consignee, any such carrier shall transport property, who shall knowingly and wilfully, directly or indirectly, himself or by employee, agent, officer, or otherwise, by false billing, false classification, false weighing, false representation of the contents of the package or the substance of the property, false report of weight, false statement, or by any other device or means, whether with or without the consent or connivance of the carrier, its agent, or officer, obtain or attempt to obtain transportation for such property at less than the regular rates then established and in force on the line of transportation; or who shall knowingly and wilfully, directly or indirectly, himself or by employee, agent, officer, or otherwise, by false statement or representation as to cost, value, nature, or extent of injury, or by the use of any false bill, bill of lading, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition, knowing the same to be false, fictitious, or fraudulent, or to contain any false, fictitious, or fraudulent statement or entry, obtain or attempt to obtain any allowance, refund, or payment for damage or otherwise in connection with or growing out of the transportation of or agreement to transport such property, whether with or without the consent or connivance of the carrier, whereby the compensation of such carrier for such transportation, either before or after payment, shall in fact be made less than the regular rates then established and in force on the line of transportation, shall be deemed guilty of fraud, which is hereby declared to be a misdemeanor, and shall, upon conviction thereof in any court of the United States of competent jurisdiction, within the district in which such offense was wholly or in part committed, be subject for each offense to a fine of not exceeding five thousand dollars or imprisonment in the penitentiary for a term of not exceeding two years, or both, in the discretion of the court: Provided, That the penalty of imprisonment shall not apply to artificial persons."

FOLDOUT BLANK

doubtful if there are any which would be more complete or effectual than that recommended by the Freight Claim Agents' Association. Another form which, while not quite as explicit as the one recommended, is perhaps as desirable in presenting most claims, and contains space for all the necessary data demanded on a loss and damage claim:

New York.....191...

Dear Sir:—

We present herewith our L/D claim No. .... for $....., same having resulted from shipping in Car.....from..... .....191..., to..... routed via..... and shipped in name of..... En route a loss occurred as follows: .... Claim is substantiated by attached: .... Kindly hasten investigation and settlement, in the meantime acknowledging receipt of this claim and advising your claim number applying.

Yours very truly,

.....

Traffic Manager.

In the spaces left in this form the claim number and the amount are inserted, amount and commodity shipped, car number, where from, date, and to what point, the routing, in whose name the shipment was made and statement of the particulars regarding the loss or damage. After the word "claim is substantiated by attached" would be inserted the word "bill of lading, paid freight receipt, copy of invoice," etc.

The claim form shown below is comprehensive and may be used for both loss and damage and over-charge claims. This blank, which was prepared by Mr. C. W. Nash, former Freight Claim Agent of the Delaware & Hudson Company, and now Traffic Manager of several paper manufacturing concerns, contains a clause which forestalls the declination of a claim substantiated by copies of bills of lading and paid freight receipts. It frequently occurs that an original bill of lading or paid freight receipt will become lost. Before paying a claim on duplicate documents the carriers require a signed agreement from claimants that in the event of the original papers later being presented the carrier is protected against duplicate payment of the claim. This requirement is anticipated in this claim form.

New York, N. Y., ..., 191...

Mr. ..... Claim No.....

..... R. R. No.....

.....

Dear Sir:—

Herewith papers in our claim of above number. Please advise your number covering and arrange for early adjustment.

In any instance where we attach copy of Freight Bill or Bill of Lading it will be for the reason that it is impossible to furnish the original Document. We, therefore, agree to protect Transportation Companies against duplicate payment of this claim being made because of our present inability to submit the original.

Yours very truly,

By.....

Traffic Manager.

FROM _____ TO _____

CONSIGNEE _____ DESTINATION _____

ROUTE _____ POINT OF ORIGIN _____

WAY BILL		CAR		RECORD
Number	Date	Number	Initial	

ARTICLES L. or D. OVERCHARGE BASE	WEIGHT	RATE	CHARGES	AMOUNT OF CLAIM

CLAIMED RATE _____ AUTHORITY _____

TO _____

TRANSFER _____

BEYOND _____

THROUGH _____

PAPERS ATTACHED AS CHECKED

Original Freight Bill	_____
Copy Freight Bill	_____
Original Bill of Lading	_____
Copy Bill of Lading	_____
Express Receipt	_____
Original Invoice	_____
Copy Invoice	_____
Cert. of Weight	_____

There still exists some opportunity for discrimination in the payment of claims, although since the Interstate Commerce Commission may review all of the claims paid by the carriers that condition is reduced to a minimum. One carrier might allow a claim from one consignor and reject another claim of exactly the same nature from another, but it is not thought that this is carried on to any great extent, if at all. In some cases, particularly where the loss and damage is of a concealed nature, carriers will sometimes offer to settle with the claimant on a basis of 50 per cent of the amount of his claim, but if a shipper be sure that a loss has actually occurred, he can, and should, insist on full payment of his claim. If he is

not sure that a loss occurred he has no grounds for a claim and none should have been presented. Shipper should first be satisfied that his claim is just and proper in every respect and then present all of the relevant facts pertaining to the matter, and insist upon payment, and if the carriers be unwilling to meet his views and assume their just responsibility, the courts will uphold the claimant in his contentions.

§ 2. Over-Charge.

The handling of over-charge claims is not dissimilar to that of handling loss and damage claims. The causes of over-charge claims are usually the assessment of a wrong rate, the assessment on a weight in excess of the actual weight, wrong classification, misrouting by carriers, and errors in the extension of freight bills. If the claimant has in his possession and can furnish authority for the rate, routing, classification, etc., it is generally an easy matter to recover the amount of the incorrect charges collected. At the present time the different carriers are making great effort toward the prompt adjustment of over-charge claims and many of the carriers are able to adjust these claims within thirty days after the receipt by them from the claimant.

In presenting an over-charge claim, claimant should give his name, address, the amount of the claim and state the description of the shipment, name and address of consignor, where the shipment originated and to whom and to what destination it was consigned, the routing, who issued the bill of lading and date of the bill of lading, the paid freight bill, pro number, original car number and initial, and if re-consigned en route give full particulars with reference to that reconsignment. He should clearly state the nature of the over-charge, the rate, weight and

classification properly applying, and if claim covers more than one item enumerate the different rates and classifications. A separate statement should be made showing how the over-charge is determined on each of the different items.

(1) Papers Necessary.

If possible to do so the claimant should give rate authority, that is, the name of the tariff and name of road issuing the tariff, date effective, etc., and the classification applying. He should substantiate the claim with original paid freight bill, original invoice or certified copy when claim is based on weight or valuation or when shipment has been improperly described, and the original bill of lading if not previously surrendered to the carrier. When the original bill of lading cannot be obtained a duplicate in the case of an over-charge claim will suffice. He should furnish a certificate of weights or a certified statement when claim is based on weight and any other particulars in support of over-charge claimed. Copies of all documents submitted should be retained as it may be necessary to refer to them later on. If claimant does not have the tariff enabling him to give the number, etc., and if the rate is based on letter quotation from a railroad traffic official, the claim should be supported also by the original or a copy of such rate quotation. Claims for over-charge on shipments of lumber should also be supported by a statement of the number of feet, dimensions, kind of lumber and length of trim on sticks before being shipped.

(2) Forms.

Claims may be prepared and presented on forms of the Freight Claim Agents' Association, which have been approved by the Interstate Commerce Commission, and which are inserted.

Before presenting a claim on account overcharge, the following important information respecting claims should be given careful consideration:

1. The terms under which property is accepted and transported by a carrier are stated on the bill of lading issued by the carrier; also in tariffs and classifications issued or subscribed to by the carrier. Persons intending to file claims should, before doing so, examine the terms and conditions under which property was accepted and transported. If any part of the shipment in question was subject to the Regulations for the Transportation of Explosives and Other Dangerous Articles, prescribed by the Interstate Commerce Commission, pursuant to Acts of Congress, the person filing the claim should know that all of these regulations applicable to the shipment had been complied with.

2. Carriers and their agents are bound by the provisions of law, and any deviation therefrom by the payment of claims before the facts and measure of legal liability are established will render them, as well as the claimant, liable to the fines and penalties by law. Attention is called to the following extract from the Interstate Commerce Commission Conference Ruling No. 68:

> "It is not the proper practice for railroad companies to adjust claims immediately on presentation and without investigation. The fact that shippers may give bond to secure repayment in case, upon subsequent examination, the claims prove to have been improperly adjusted, does not justify the practice."

3. Pending the settlement of any dispute or disagreement between the consignee and the carrier as to questions of overcharge in connection with property transported, the consignee may avoid a possible accrual of demurrage or storage charges, as well as loss or damage, by promptly accepting the property from the carrier. Such action on his part in no way affects any valid claim which may exist against the carrier.

4. Under the provisions of the 6th section of the Act to Regulate Commerce, it is unlawful for a carrier to charge or demand or collect or receive, any greater or less or different compensation for the transportation of property than the rates and charges named in tariffs lawfully on file, nor to refund or remit in any manner or by any device any portion of the rates and charges so specified. The refund or remission of any portion of the rates and charges so specified based on the ground that the carrier has computed its charges on excessive weight or wrong classification is as much a violation of the law as is a direct concession or departure from the published rates and charges.

In this connection, attention is also called to the following important quotation from section 10 of the Act to Regulate Commerce:

> "Any common carrier subject to the provisions of this Act, or, whenever such common carrier is a corporation, any officer or agent thereof, or any person acting for or employed by such corporation, who, by means of false billing, false classification, false weighing, or false report of weight, or by any other device or means, shall knowingly and willfully assist, or shall willingly suffer or permit, any persons or person to obtain transportation for property at less than the regular rates then established and in force on the line of transportation of such common carrier, shall be deemed guilty of a misdemeanor, and shall, upon conviction thereof in any court of the United States of competent jurisdiction

Standard Form for Presentation of Overcharge Claims

Approved by The Freight Claim Association

.....
(Name of person to whom claim is presented)

.....
(Address of claimant)

.....
(Claimant's Number) §

.....
(Name of carrier)

.....
(Date)

.....
(Carrier's Number)

.....
(Address)

This claim for $..... is made against the carrier named above by.....
(Amount of claim) (Name of claimant)

for overcharge in connection with the following described shipments:

Description of shipment.....

Name and address of consignor (shipper).....

Shipped from ..... To .....
(City, town or station) (City, town or station)

Final destination..... Routed via.....
(City, town or station)

Bill of Lading issued by .....Co.; Date of Bill of Lading.....

Paid Freight Bill (Pro) Number.....; Original Car Number and Initial.....

Name and address of consignee (Whom shipped to).....

If shipment reconsigned enroute, state particulars:.....

Nature of Overcharge .....
(Weight, rate, or classification, etc.)

DETAILED STATEMENT OF CLAIM

NOTE.—If claim covers more than one item taking different rates and classification, attach separate statement showing how overcharge is determined and insert totals in space below.

	No. of Pkgs.	Articles	Weight	Rate	Charges	Amount of Overcharge
Charges Paid:						
		Total				
Should have been:						
		Total				

Authority for rate or classification claimed.....
Give, so far as practicable, tariff reference (I. C. C. number, effective date and page or item).

IN ADDITION TO THE INFORMATION GIVEN ABOVE, THE FOLLOWING DOCUMENTS ARE SUBMITTED IN SUPPORT OF THIS CLAIM*

( ) 1. Original paid freight ("expense") bill.
( ) 2. Original invoice, or certified copy, when claim is based on weight or valuation, or when shipment has been improperly described.
( ) 3. Original bill of lading, if not previously surrendered to carrier, when shipment was prepaid, or when claim is based on misrouting or valuation.
( ) 4. Weight certificate or certified statement when claim is based on weight.
5. Other particulars obtainable in proof of Overcharge claimed: .....

.....

REMARKS .....

.....

.....

The foregoing Statement of facts is hereby certified to as correct.

.....
(Signature of claimant)

§ Claimant should assign to each claim a number, inserting same in the space provided at the upper right hand corner of this form. Reference should be made thereto in all correspondence pertaining to this claim.

* Claimant will please place check (x) before such of the documents mentioned as have been attached, and explain under "Remarks" the absence of any of the documents called for in connection with this claim. When for any reason it is impossible for claimant to produce original bill of lading, if required, or paid freight bill, claimant should indemnify carrier or carriers against duplicate claim supported by original documents.

† Claims for overcharge on shipments of lumber should also be supported by a statement of the number of feet, dimensions, kind of lumber, and length of time on sticks before being shipped.

Claims based on rates quoted in letters from traffic officials should be supported by the original or copies of such letters.

The reverse side of the form carries a statement to claimants and important information respecting overcharge claims.

Another very simple form for the presentation of overcharge claims and one which has been in use by a number of large shippers for a considerable length of time is as follows:

New York.....191...

Dear Sir:—

We present herewith our O/C claim No. ..... for $....., same having resulted from shipping..... in car.....from..... .....191..., ... consigned to..... routed via.....

Charges were assessed on..lbs. at ....c per 100 lbs. $.....

Should have been " " ..lbs. at ....c per 100 lbs. $.....

Amount of overcharge $.....

Authority for rate claimed. Tariff No. .....

Claim is substantiated by attached: .....

.....

.....

Kindly hasten investigation and settlement, in the meantime acknowledging receipt of this claim, and advising your claim number applying.

Yours very truly,

.....

Traffic Manager.

This form may be printed on the regular stationery of claimant and doubtless would be equally effectual as the standard form presented by the Freight Claim Agents' Association. It is not offered as being superior to that standard form, and it might not be found as desirable in many cases.

THE DELAWARE AND HUDSON COMPANY

TO CLAIMANTS:

Persons presenting claims to a carrier will expedite settlement by furnishing the carrier with a complete and detailed statement of all pertinent facts tending to establish the validity of their claims. It is the desire of carriers to settle promptly all valid claims, and the frank and hearty co-operation of the claimant is therefore solicited. *Delayed settlement of claims is frequently due to the failure of the claimant to furnish carrier with the necessary information and documents with which to make investigation and establish liability promptly. It should be borne in mind that carriers under the terms of the Act to Regulate Commerce are required to thoroughly investigate each claim before payment.* Claimants should, therefore, in every case furnish the carrier, as far as possible, with the information and documents called for on the other side of this form, even though there may be instances when it appears to the claimant that the information called for is more than necessary to establish the validity of the claim. There are claims, e. g., for concealed loss and damage, in connection with which it may be necessary to call for additional information from the claimant before making settlement.

Claimants are requested to make use of this form for filing claims with carriers. Claims may be filed with the carrier's agent either at the point of origin or destination of shipment, or direct with the Claim Department of the carrier, and will be considered properly presented only when the information and documents called for on the other side of this form have, as far as possible, been supplied. A duplicate copy thereof should be preserved by the claimant.

Claimants should read carefully the information appearing below.

C. W. NASH, FREIGHT CLAIM AGENT, ALBANY, N. Y.

IMPORTANT INFORMATION TO CLAIMANTS RESPECTING OVERCHARGE CLAIMS

Before presenting a claim on account overcharge, the following important information respecting claims should be given careful consideration:

1. The terms under which property is accepted and transported by a carrier are stated on the bill of lading issued by the carrier; also in tariffs and classifications issued or subscribed to by the carrier. Persons intending to file claims should, before doing so, examine the terms and conditions under which property was accepted and transported. If any part of the shipment in question was subject to the Regulations for the Transportation of Explosives and Other Dangerous Articles, prescribed by the Interstate Commerce Commission, pursuant to Acts of Congress, the person filing the claim should know that all of these regulations applicable to the shipment had been complied with.

2. Carriers and their agents are bound by the provisions of law, and any deviation therefrom by the payment of claims before the facts and measure of legal liability are established will render them, as well as the claimant, liable to the fines and penalties by law. Attention is called to the following extract from the Interstate Commerce Commission Conference Ruling No. 68:

> "It is not the proper practice for railroad companies to adjust claims immediately on presentation and without investigation. The fact that shippers may give bond to secure repayment in case, upon subsequent examination, the claims prove to have been improperly adjusted, does not justify the practice."

3. Pending the settlement of any dispute or disagreement between the consignee and the carrier as to questions of overcharge in connection with property transported, the consignee may avoid a possible accrual of demurrage or storage charges, as well as loss or damage, by promptly accepting the property from the carrier. Such action on his part in no way affects any valid claim which may exist against the carrier.

4. Under the provisions of the 6th section of the Act to Regulate Commerce, it is unlawful for a carrier to charge or demand or collect or receive, any greater or less or different compensation for the transportation of property than the rates and charges named in tariffs lawfully on file, nor to refund or remit in any manner or by any device any portion of the rates and charges so specified. The refund or remission of any portion of the rates and charges so specified based on the ground that the carrier has computed its charges on excessive weight or wrong classification is as much a violation of the law as is a direct concession or departure from the published rates and charges.

In this connection, attention is also called to the following important quotation from section 10 of the Act to Regulate Commerce:

> "Any common carrier subject to the provisions of this Act, or, whenever such common carrier is a corporation, any officer or agent thereof, or any person acting for or employed by such corporation, who, by means of false billing, false classification, false weighing, or false report of weight, or by any other device or means, shall knowingly and wilfully assist, or shall willingly suffer or permit, any persons or person to obtain transportation for property at less than the regular rates then established and in force on the line of transportation of such common carrier, shall be deemed guilty of a misdemeanor, and shall, upon conviction thereof in any court of the United States of competent jurisdiction within the district in which such offense was committed, be subject to a fine of not exceeding five thousand dollars, or imprisonment in the penitentiary for a term of not exceeding two years, or both, in the discretion of the court, for each offense."
>
> "Any person, corporation, or company, or any agent or officer thereof who shall deliver property for transportation to any common carrier subject to the provisions of this Act, or for whom, as consignor or consignee, any such carrier shall transport property, who shall knowingly and wilfully, directly or indirectly, himself or by employee, agent, officer, or otherwise, by false billing, false classification, false weighing, false representation of the contents of the package or the substance of the property, false report of weight, false statement, or by any other device or means, whether with or without the consent or connivance of the carrier, its agent, or officer, obtain or attempt to obtain transportation for such property at less than the regular rates then established and in force on the line of transportation; or who shall knowingly and wilfully, directly or indirectly, himself or by employee, agent, officer, or otherwise, by false statement or representation as to cost, value, nature, or extent of injury, or by the use of any false bill, bill of lading, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition, knowing the same to be false, fictitious, or fraudulent, or to contain any false, fictitious, or fraudulent statement or entry, obtain or attempt to obtain any allowance, refund, or payment for damage or otherwise in connection with or growing out of the transportation of or agreement to transport such property, whether with or without the consent or connivance of the carrier, whereby the compensation of such carrier for such transportation, either before or after payment, shall in fact be made less than the regular rates then established and in force on the line of transportation, shall be deemed guilty of fraud, which is hereby declared to be a misdemeanor, and shall, upon conviction thereof in any court of the United States of competent jurisdiction, within the district in which such offense was wholly or in part committed, be subject for each offense to a fine of not exceeding five thousand dollars or imprisonment in the penitentiary for a term of not exceeding two years, or both, in the discretion of the court: Provided, That the penalty of imprisonment shall not apply to artificial persons."

FOLDOUT BLANK

When the question of the rate is involved the claimant should always be particular to specify the classification, or if it be a commodity rate, give the authority for the commodity rate. If a class rate be involved the class in which the commodity applies should be specified. It is equally important that over-charge claims be presented promptly since the error can very frequently be corrected and the refund of charges made without the necessity of going through all the investigations which would follow if the error had not been detected before the participating roads had distributed the revenue derived in the form of freight charges on the shipment.

The method of investigation by the carriers of an over-charge claim is similar to that with reference to loss and damage. It is not as a rule as difficult to determine the facts in connection with an over-charge. Papers are usually referred to the rate department of the carrier to determine the correct tariff authority for the rate, and if claim is found to be correct adjustment is ordinarily made without delay. It should be borne in mind by claimant that a carrier may not collect more nor less than the correct legal charges applying on a shipment. Therefore he may demand and expect to receive any refund of charges which are in excess of legal charges and carriers can not decline to pay such excessive charges.

On the other hand it is illegal for a shipper or claimant to demand or receive from a carrier any amount of charges to which he is not entitled. An unlawful claim should in no case be presented, as claimant would be liable to the penalty of the law if he accepted any payment which would reduce or refund any of the correct or lawful charges paid on a shipment.

The Interstate Commerce Commission Conference Ruling, I. C. C. 379, provides that interest can be collected on over-charge claims from the date upon which charges were improperly collected to date of payment. Many large shippers include on their invoices covering over-charges of $10.00 or more the following statement:

"Interest demanded upon this claim at time of settlement for elapsed time after payment of excessive charge at the rate of 6 per cent per annum, in accordance with ruling of the Interstate Commerce Commission, made October 14, 1912."

This, without question, hastens the payment of over-charge claims, as the carriers naturally are desirous of avoiding all interest payment if they possibly can do so. The interest on a considerable amount for a long time if the payment of a claim is delayed is an item, of course, to shippers, particularly those having a large number of over-charge claims pending, which means a continuous investment of several thousand dollars.

One point which should be remembered by the claimant is that an over-charge cannot be off-set by an under-charge; that each transaction is separate in itself, and the Interstate Commerce Commission requires that it shall be so handled. For illustration, if a carrier inadvertently assesses an incorrect rate which does not make sufficient charges on a given shipment, the claimant cannot decline to pay the additional amount required to bring the total up to the correct and lawful amount, and contend that he has claims pending with the carrier for more than the equivalent amount. The carriers, even though they were disposed to do so, cannot charge less than the correct rate, nor can they demand more. The Interstate Commerce Commission, on the other hand, will not permit them to

withhold payment of just over-charge claims substantiated with the proper documents.

(3) System of Tracing and Collecting Claims.

While it is a fact that many of the carriers endeavor to investigate and dispose of claims as promptly as possible, yet it is necessary that the claimant show interest in the matter of his claims and follow up the claims to urge prompt adjustment. Some concerns adopt a regular form of inquiry which they send at stated periods after claims are presented to ascertain the status of the claims. This is thought to be unwise by many who believe that an original letter is more desirable in hastening adjustment of claims than a form would be.

After a claim has been presented, a reasonable length of time should be allowed for the railroad or steamship company to acknowledge receipt of the same and give information as to the carrier's claim number governing. If this acknowledgment is not received it is well to write a follow up letter to the carrier to whom the claim was presented and state that on a given date over-charge, or loss and damage claim number —— was presented and inquire if same was not received. One method of following freight claims is to record each claim on a card index under the heading of the road to which the claim is presented, and at the same time file all the duplicate claim papers in an ordinary letter file or claim file which would particularly meet this requirement, so that when correspondence is necessary it will be easy to refer to papers covering all pending claims. On this claim index file would be recorded the particulars of the claims so that it would be unnecessary to refer to the claim papers when corresponding in a follow up way as to settlement of such

claims. A claim card similar to the following would be sufficient:

..... Railroad.

O/C

Claim No.....R. R. No.....Am'ts.....Dated....191..

L/D

Remarks:—

.....

.....

Status:—

.....

.....

Paid, ...191...

The claim clerk in the industrial traffic department should regularly examine these claim cards, and may, by referring to the dates of presentation of claims, readily detect the failure of the carrier to promptly acknowledge receipt of claim papers. When claim is presented and acknowledgment secured, the railroad company's claim number would be inserted on the card, together with the claimant's number. At the expiration of a period, say thirty days, if the claim has not been paid, the claim clerk would then write a letter to the carrier asking the status of the claim and probable date of adjustment, and stating that in the event of papers being referred to connection of the originating carrier (if an inter-line claim), to advise the connection's number and date that papers were sent to the freight claim agent of the connection. Upon receipt of this information a record would be made on the card of the second carrier's number applying and also as to the whereabouts of the papers, and the claim clerk would then write to the carrier to whom papers had been sent stating

that papers were in its possession and asking when they would be returned to the originating line with authority for settlement. The reply to this letter would enable the claim clerk to insert on the claim card the date the papers were returned to the originating carrier and whether or not claim had been authorized so far as the connection line was concerned. Then, after the expiration of a reasonable period, if the claim was not paid, the claim clerk would write to the originating carrier stating that he had information under a given date that papers had been returned to the originating carrier with authority for settlement and asking why check had not been issued in payment of the claim. All correspondence relating to a particular claim should be attached to the copies of the the claim as originally presented, so that in the event of it being necessary to refer to the papers for some intricate point respecting the movement of the car or shipment in question, such reference could easily be made. If desirable to file the claims in the pending file under a number instead of under the name of the carrier this can easily be done by having the claim card carry the file number of the claim, which, of course, would be different from the claim number.

(4) Record of Claims.

After the claim is paid it is well to mark the papers and copy of the invoice against the carriers "paid," and give the date of the payment. Then file such paid claims in a separate or "paid" file, at the same time marking the claim card with the same information, namely, that the claim had been paid and filing it in a separate or "paid" card index.

Very often papers covering a claim will be mislaid or lost altogether by the carriers and it is therefore important

that claims be continuously traced and followed up until settlement is made. It is always wise to keep a record of the claim numbers of all carriers interested or involved in any claim and to make due record on claim card as well as on the papers in the claim file. Systematic tracing of claims is bound to have desired results and often the industrial traffic department can obtain satisfactory results by tracing with the traffic department of the railroad company when the claim department is indifferent to the demand of the claimants. Particularly the freight soliciting agents of the carriers can be of service in following up claims if they will interest themselves in doing so, as being interested in obtaining the maximum amount of traffic from a concern, the soliciting department is also naturally interested in giving the best possible service both in the adjustment of claims as well as in the movement of traffic. Such personal interest of the solicitor in the adjustment of shipper's claims, when there is an unreasonable delay, tends to hasten the handling of the claims.

On account of the necessity of presenting claims within a prescribed limit by the enforcement by the carriers of Section 3 of the Uniform Bill of Lading, it becomes necessary for the shippers to protect themselves in the event of non-delivery of their shipments, and their failure to be advised of non-delivery within the prescribed time limit. The traffic manager of a large tobacco manufacturing concern devised a "tracer-claim" form which meets this requirement. It is shown below:

Tracer-Claim Form.

Traffic Dept. File.....
Consignee.....Destination.....
Date of shipment.....Order No.....Branch.....

Forwarding Reference.

Way-Billed from.....to.....
Way-Bill No.....Date of Way-Bill.....

If Via Rail.	If Via Steamer.
Car initial.....	Steamer .....
Car No.	Voyage No. .....
Break Bulk Pt.....	Pro. No. .....

Cause of Tracer.

Non-delivery of shipment

Shortage of { ..... cases / ..... pkgs. } Invoice value.....

Information for File.

(Spaces below not to be filled in on Original.)

Date of consignee's report.....
Department making request and date.....
Name of jobber if drop shipment.....

Papers Attached.

(To be indicated by check mark.)

Copies of Bills of Lading.....
Copy of Way-Bill.....
Copy of Expense Bill.....
Copy of Invoice.....

Remarks.

.....
.....
.....

The above form is used whenever a shortage or non-delivery is reported. The form is filled in with full information, including the invoice value, and is then sent to the representative of initial carrier or delivering carrier with a form letter which states that a copy of the bill of lading is attached to the tracer claim form covering goods reported undelivered, and requesting the carrier to show delivery if possible, but if unable to do so within a reasonable time arrange to voucher the claim. The

letter adds that any additional advice or papers which may be necessary will be furnished upon demand. The spaces marked "information for file" are not filled in in the copies sent to the transportation companies, but are for the use of the file of the shipper. The carriers would treat this as a tracer, but, being unable to show delivery, consider it a claim filed on the date of receipt.

This arrangement enables the shipper to protect his interest against the statute of limitation running four months, and before he has had an opportunity to trace a shipment and lodge claim in the event of non-delivery.

CHAPTER VIII.

COST ACCOUNTING SYSTEMS AND APPLICATION TO TRAFFIC DEPARTMENTS.

§ 1. Freight Charges in Relation to Cost of Merchandise.
§ 2. Tare Weight a Factor.
§ 3. Other Elements of Cost.

CHAPTER VIII.

COST ACCOUNTING SYSTEMS AND APPLICATION TO TRAFFIC DEPARTMENTS.

§ 1. Freight Charges in Relation to Cost of Merchandise.

A great many volumes would be required to outline adequately cost-accounting systems with reference to the matter of traffic and transportation charges in their relation as a fixed charge against the production of merchandise or the manufacture of a given commodity, if it were to be applied to every line of industry. This is a subject to be treated by each concern individually in relation to its own particular requirements, and the particular features of each business. It is obviously necessary that the manufacturer, after determining the manufacturing cost of his finished product, take into consideration all the elements such as the transportation cost of raw material, overhead charges, etc., that he may be enabled to determine exactly what his merchandise will cost laid down in the market. Assuming that he has calculated the actual cost of his merchandise prepared for shipment, including packages, etc., then it is necessary to add to that cost the transportation charges applying to the net weight of the consignment.

§ 2. Tare Weight a Factor.

The acid manufacturer and shipper selling his com-

modity in carboys must of necessity calculate the freight charges on the basis of the gross weight of the consignment which would include the weight of the carboys themselves, also the freight charges on the return of these empty carboys. Since empty carboys will, in some cases, weigh as much as 75 pounds, while the contents of the carboy will weigh perhaps 125 pounds, it will be seen that the tare weight or the weight of the container is an important factor to be taken into consideration when fixing the cost of the acid at destination.

The acid manufacturer therefore, when quoting on a contract, ascertains not only the cost of the transportation of the acid itself from the originating point to the point of consumption, but also takes into consideration the elements of transportation cost applicable to the tare weight of his shipment, as well as the weight of the return of the empty packages. We will assume that the freight rate on acid from "A," the point of manufacture, to "B," the destination, or point of consumption, is 9 cents per hundred pounds. If acid cost, packed for shipment, $1.10 per hundred pounds, f. o. b. cars at originating point, to that figure must be added the cost of transporting 125 pounds, the weight of the acid itself, plus 75 pounds, the weight of the empty container, or a total of 200 pounds per carboy, which would be the gross weight of the acid as packed for shipment. The rate from "A" to "B" being 9 cents per hundred pounds, the total transportation cost is 18 cents per hundred on the gross weight of the acid. It is then necessary to determine the cost of returning the empty carboy. Taking the same weight, 75 pounds, and calculating that the rate on the returned empty carboys is 17 cents per hundred, as empty carboys take a higher rate of freight than the rate applying when full, the transportation cost would be a total of 13 cents

per carboy. The shipper therefore adds to the 18 cents, representing the transportation cost on the gross weight of each carboy, the transportation cost on the return of the empty carboys, 13 cents, making a total transportation cost on each carboy of 31 cents. Dividing this by the actual weight of the acid, 125 pounds, it will be seen that the result is $.246, or 24.6 cents per hundred pounds of acid. This is the transportation cost between "A" and "B" of each carboy of acid, plus the transportation cost between "B" and "A" of the returned empty carboys. Therefore the manufacturer must add to his cost of $1.10 per hundred pounds, which, for this illustration, is given as the cost of the acid ready for shipment, the item of $.246, which is the transportation cost per hundred pounds of acid applicable to this transportation and making a total cost of $1.346. This, then, is the total cost per hundred pounds of the commodity delivered at market.

§ 3. Other Elements of Cost.

If the manufacturer had any other item to be added to this, such as dunnage or the cost of lumber used in bracing the carboys, that item would also be considered and the cost added to the expense of loading, etc. This is only one of thousands of illustrations that might be cited with regard to expense entering into the cost of merchandise in a given market.

On account of the diversity of manufacturing and producing business it is essential that an adequate cost system be worked out covering every line of activity. If there are any particular features entering into the line of business which become an element in the transportation cost, such as icing or refrigeration, or as in the case of shipping potatoes and other perishable commodities in the winter time when it becomes necessary to supply heat to

the shipment in transit, those are elements which must be considered in the cost of the transportation. In shipping live stock, must be taken into account the fare of the man in charge, unless tariffs provide for free transportation, and his return fare and other expenses incidental to each shipment.

It will be seen how important it is that all the elementary and incidental expenses entering into the transportation cost of a commodity be considered and calculated as part of the total cost. It is not enough to figure the cost of the merchandise loaded on board cars and to that add the freight rate unless it be upon some commodity where there are no incidental items of expense other than the freight charges at a given rate, where no tare weight is to be considered or where there are no other elements, such as the return of packages, etc. If the traffic manager will thoroughly acquaint himself with all the details of his employer's business he can readily devise card systems which will cover all elements and factors of the transportation cost.

CHAPTER IX.

SWITCHING, LIGHTERAGE, TRANSFERRING AND CARTAGE, DEMURRAGE.

§ 1. Switching.
§ 2. Lighterage.
§ 3. Transferring and Cartage.
§ 4. Demurrage.

CHAPTER IX.

SWITCHING, LIGHTERAGE, TRANSFERRING AND CARTAGE, DEMURRAGE.

§ 1. Switching.

The traffic manager should, and generally does, have direct supervision over switching, lighterage, transferring, shipping and cartage. If the concern he represents has plants at competitive points, that is, at a station served by more than one railroad, the switching and interchange of business must be considered. If his factory should be located on one railroad at such point or have a switch from only one railroad it is of importance that in the absence of specific arrangement covering the free interchange of traffic to and from the other railroads than the road on which his plant is directly located, a definite switching charge be arranged. Usually at competitive points the competing carriers furnish free interchange of carload traffic between their roads to and from the industries located on the several railroads. This arrangement is covered by a switching agreement which usually provides that a shipper may forward or receive traffic over any of the lines entering the particular city and that delivery be made to their plants without added cost for switching service, provided the freight charges exceed a specified minimum. A switching charge of $2.00, $3.00 or $4.00 is usually made by the road performing

that service. This switching charge is absorbed by the railroad carrying the merchandise provided the transportation charge is in excess of a given minimum, which ordinarily would be $10.00 to $12.00 per car. If such switching charge is to be absorbed it is necessary that provision therefor be made in the tariff of the carriers; otherwise such charge would be borne by the consignee or consignor of the merchandise, and be an additional cost to the freight rate. For illustration:

Two railroads enter "X," the "A" Railroad and the "B" Railroad. The manufacturer is located on "B" Railroad; in other words he has a siding which connects with "B" Railroad and his shipments in and out are loaded and unloaded into and out of cars on "B's" siding. There is an agreed switching interchange arrangement between the "A" Railroad and the "B" Railroad and the shipper elects that certain of his shipments arrive over the "A" Railroad and be switched to his siding. The switching tariff provides at that city that on all business where the earnings are in excess of $12.00 per car the switching charge of $3.00 per car shall be absorbed in the rate by the railroad carrying the merchandise. It is therefore necessary for the manufacturer to be sure that in routing freight in or out over the "A" Railroad the total charges shall exceed that minimum of $12.00 per car in order that he may not be obliged to pay any part of the $3.00 switching charge. As a rule on competitive traffic the shipper would favor "B" Railroad on which he is located to avoid any delay in transfer by switching from the "A" Railroad to his factory on inbound business, or from his factory to the "A" Railroad on outgoing business, but in order to avail himself of the transportation facilities which might be superior to certain destinations on traffic via the "A" Railroad, he is, through the agreed

switching arrangement privileged to use either of two lines and take advantage of the superior service of either or both.

§ 2. Lighterage.

The same general conditions would apply to lighterage where concerns are located, for instance, in the metropolitan district within the lighterage limits in and about New York, and which are as follows:

Borough of Manhattan, bounded on the north and west by 136th Street and the Hudson River, and on the north and east by 145th Street and Harlem River.

The New Jersey lighterage limits extend as far north as a point opposite 159th Street, New York, and as far south as Zabriskie Avenue, Bergen Point.

Staten Island lighterage limits are fixed at Willow Avenue, Clifton, whereas the lighterage limits in Queens are at 69th Street, Bay Ridge, on the south and Hoyt Avenue, Astoria, on the north.

The shipper may avail himself of any of the lines leaving or entering New York which are participants in the tariffs covering lighterage. The charges for such service, especially to competitive points, are usually the same, via all the lines, but the tariffs of each individual carrier should be examined and advantage taken of the lowest lighterage charge. Tariffs of some carriers might on certain commodities carry free lighterage, while others would provide for a charge for lighterage in addition to the freight rate. As the lighterage cost is a part of the transportation cost the traffic manager must, of necessity, consider this, and in placing his routing instructions see that his lighterage, as well as the other transportation charges is at a minimum.

§ 3. Transferring and Cartage.

The matter of transferring, or as it is intended to be covered here, the matter of belt line railroad facilities other than switching facilities, is also an element which must be taken into consideration. Concerns located on the Hoboken Shore Road in New Jersey are obliged to pay slightly in addition to the usual through rate applying from the terminal at Hoboken, and this transfer cost, which is actually not much more than a switching cost, but which is specifically provided for in different amounts applying to different commodities in the tariff of the Hoboken Shore Road, is an item which must be taken into consideration and in some cases might be more than it would cost to cart to one of the trunk lines terminating in New Jersey. The same condition applies to that part of Long Island adjacent to New York served by the Long Island Railroad.

For illustration: In many cases the rates of the several trunk lines apply to Brooklyn terminal stations on a certain basis when such delivery can be made by float or lighterage, but do not apply to the interior stations of Brooklyn on the Long Island Railroad. The tariffs referred to cover delivery to the Long Island Railroad float bridges, and to that charge must be added the transfer charge of the Long Island Railroad from Long Island City float bridges to Bushwick and other stations in Brooklyn and Long Island City. The shipper may find that he can take delivery at the lighterage delivery station such as Brooklyn Eastern District Terminal and truck his merchandise from that point more cheaply than he could consign through to Bushwick and other stations which might be closer to his factory, and truck from there. This transfer cost is something which may be calculated

as to each individual case, and no set rule can be applied to all.

It is difficult to arrive at an exact cartage cost unless that service is performed by an outside party and at a given rate per hundred pounds. As the matter of cartage is also a transportation item the traffic manager should have supervision over this part of the transportation. The perfecting of the motor truck has greatly increased the efficiency of local hauling of merchandise, decreasing the cost of the haul and at the same time increasing the rapidity of delivery. On account of congestion at terminals it is impossible in some instances for a drayman to obtain his merchandise promptly, and it may be necessary to submit to delay in securing a given consignment.

With the development of motor trucks great economies have been effected in the short haul of merchandise. Much attention is being paid by shippers and receivers of freight, particularly those having a volume of less carload business, as to the actual cost per hundred pounds for that service. There are many advantages in the use of motor trucks aside from the greater carrying capacity and increased speed as compared to horse-drawn vehicles. The relative efficiency can be arrived at through the aid of any manufacturer of these self-propelling vehicles.

§ 4. Demurrage.

Demurrage is the charge for undue delay, or detention of cars held for loading, or unloading, or for forwarding directions, or the detention of cars for any other purpose.

The subject may be completely understood, by perusal of the National Car Demurrage Rules, as follows:

Instructions to Agents on the Rules are printed in Italics.
Explanation to Demurrage Rules are printed in Roman.

RULES.

Rule 1—Cars Subject to Rules.

Cars held for or by consignors or consignees for loading, unloading, forwarding directions, or for any other purpose, are subject to these Demurrage Rules, except as follows:

Section A—Cars loaded with live stock.

Section B—Empty cars placed for loading coal at mines or mine sidings, or coke at coke ovens, and cars under load with coal at mines or mine sidings, or coke at coke ovens.

NOTE—Delay to cars specified in Section B will be regulated by proper Car Distribution Rules.

Section C—Empty private cars stored on carrier's or private tracks, provided such cars have not been placed or tendered for loading on the orders of a shipper.

NOTE—Private cars while in railroad service, whether on carrier's or private tracks, are subject to these Demurrage Rules to the same extent as cars of railroad ownership.

(Empty private cars are in railroad service from the time they are placed by the carrier for loading or tendered for loading on the orders of a shipper. Private cars under lading are in railroad service until the lading is removed and cars are regularly released. Cars which belong to an industry performing its own switching service are in railroad service from the time they are placed by the industry upon designated interchange tracks and thereby tendered to the carrier for movement. If such cars are subsequently returned empty they are out of service when withdrawn by the industry from the interchange; if returned under load, railroad service is not at an end until the lading is duly removed.)

Rule 2—Free Time Allowed.

Section A—Forty-eight hours' (two days) free time will be allowed for loading or unloading on all commodities.

Section B—Twenty-four hours' (one day) free time will be allowed.

1. When cars are held for switching orders

NOTE—Cars held for switching orders are cars which are held by a carrier to be delivered to a consignee within switching limits and which when switched become subject to an additional charge for such switching movement.

NOTE—If consignee wishes his car held at any break-up yard or a hold-yard before notification and placement, such car will be subject to demurrage. That is to say, the time held in the break-up yard will be included within the 48 hours of free time. If he wishes to exempt his cars from the imposition of demurrage he must either by general orders given to the carrier or by specific orders as to incoming freight notify the carrier of the track upon which he wishes his freight placed, in which event he will have the full 48 hours' free time from the time when the placement is made upon the track designated.

2. When cars are held for reconsignment or reshipment in same car received.

NOTE—A reconsignment is a privilege permitted by tariff under which the original consignee has the right of diversion. In event of the presence of such a privilege in the tariff 24 hours' free time is allowed for the exercise of that privilege by the consignee. A reshipment under this rule is the making of a new contract of shipment by which under a new rate the consignee forwards the same car to another destination.

3. When cars destined for delivery to or for forwarding by a connecting line are held for surrender of bill of lading or for payment of lawful freight charges.

4. When cars are held in transit and placed for inspection or grading. When cars loaded with grain or hay are so held subject to recognized official inspection and such inspection is made after 12 o'clock noon, 24 hours (one day) extra will be allowed for disposition.

5. When cars are stopped in transit to complete loading, to partly unload or to partly unload and partly reload (when such privilege of stopping in transit is allowed in the tariffs of the carriers).

6. On cars containing freight in bond for Customs entry and Government inspection.

SECTION C—See page 24 for rules governing demurrage

charges on lake coal, vessel fuel or coke held for trans-shipment at Ashtabula, Ashtabula Harbor and Carson, Ohio, Detroit, Mich., and Sandusky, Ohio.

Rule 3—Computing Time.

NOTE—In computing time, Sundays and legal holidays (National, State, and Municipal) will be excluded, except as otherwise provided in Section A of Rule 9. When a legal holiday falls on a Sunday, the following Monday will be excluded.

Section A—On cars held for loading, time will be computed from the first 7:00 a. m. after placement on public-delivery tracks. See Rule 6 (Cars for Loading).

Section B—1. On cars held for orders, time will be computed from the first 7:00 a. m. after the day on which notice of arrival is sent or given to the consignee.

2. When orders for cars held for disposition or reconsignment are mailed, such orders will release cars at 7:00 a. m. of the date orders are received at the station where the freight is held, provided the orders are mailed prior to the date received, but orders mailed and received on the same date release cars the following 7:00 a. m.

Section C—On cars held for unloading, time will be computed from the first 7:00 a. m. after placement on public-delivery tracks, and after the day on which notice of arrival is sent or given to consignee.

Section D—On cars to be delivered on any other than public-delivery tracks, time will be computed from the first 7:00 a. m. after actual or constructive placement on such tracks. See Rule 4 (Notification) and Rules 5 and 6 (Constructive Placement).

NOTE—"Actual Placement" is made when a car is placed in an accessible position for loading or unloading or at a point previously designated by the consignor or consignee.

Section E—On cars to be delivered on interchange tracks of industrial plants performing their own switching service, time will be computed from the first 7:00 a. m. following actual or constructive placement on such interchange tracks

and return thereto. See Rule 4 (Notification) and Rules 5 and 6 (Constructive Placement). Cars returned loaded will not be recorded released until necessary billing instructions are given.

Rule 4—Notification.

Section A—Notice shall be sent or given consignee by carrier's agent in writing, or as otherwise agreed to by carrier and consignee, within twenty-four hours after arrival of cars and billing at destination, such notice to contain point of shipment, car initials and numbers, and the contents, and, if transferred in transit, the initials and number of the original car. In case car is not placed on public-delivery track within twenty-four hours after notice of arrival has been sent or given, a notice of placement shall be sent or given to consignee.

Section B—When cars are ordered stopped in transit notice shall be sent or given the party ordering the cars stopped upon arrival of cars at point of stoppage.

Section C—Delivery of cars upon private or industrial interchange tracks, or written notice sent or given to consignee of readiness to so deliver, will constitute notification thereof to consignee.

Section D—In all cases where notice is required the removal of any part of the contents of a car by the consignee shall be considered notice thereof to the consignee.

Rule 5—Placing Cars for Unloading.

Section A—When delivery of cars consigned or ordered to any other than public-delivery tracks or to industrial interchange tracks cannot be made on account of the act or neglect of the consignee, or the inability of the consignee to receive, delivery will be considered to have been made when the cars were tendered. The carrier's agent must send or give the consignee written notice of all cars he has been unable to deliver because of the condition of the private or interchange tracks, or because of other conditions attributable to consignee. This will be considered constructive placement. See Rule 4, (Notification).

SECTION B—When delivery cannot be made on specially designated public-delivery tracks on account of such tracks being fully occupied, or from other cause beyond the control of the carrier, the carrier shall send or give the consignee notice in writing of its intention to make delivery at the nearest point available to the consignee, naming the point. Such delivery shall be made unless the consignee shall before delivery indicate a preferred available point, in which case the preferred delivery shall be made.

RULE 6—CARS FOR LOADING.

SECTION A—Cars for loading will be considered placed when such cars are actually placed or held on orders of the consignor. In the latter case the agent must send or give the consignor written notice of all cars which he has been unable to place because of condition of the private track or because of other conditions attributable to the consignor. This will be considered constructive placement. See Rule 3, Section A (Computing Time).

SECTION B—When empty cars, placed for loading on orders, are not used, demurrage will be charged from the first 7:00 a. m. after placing or tender until released, with no time allowance.

RULE 7—DEMURRAGE CHARGE.

SECTION A—After the expiration of free time allowed, a charge of $1.00 per car, per day, or fraction of a day, will be made until car is released. This charge is included in and is not in addition to the charge named in Section B.

SECTION B—1. Refrigerator or other fully insulated cars (which have been ordered by consignor or shipper) will be subject to the following charges after the expiration of free time allowed.

NOTE 1—A fully insulated car is a box car having walls, floor and roof insulated, not equipped with ice bunkers or ice baskets.

NOTE 2—This section does not apply to ordinary box cars with temporary linings.

2. When held for loading or unloading, for the first seventy-two hours (three days), $1.00 per car per day or fraction of a day; for the succeeding seventy-two hours (three days), $3.00 per car per day or fraction of a day; for each succeeding day or fraction thereof, $5.00.

3. When held for any other purpose—for the first seventy-two hours (three days), $1.00 per car per day or fraction of a day; for each succeeding day or fraction thereof, $3.00.

4. Where track storage charges are in effect the charge of $1.00 per car per day, as per Section A, will apply in addition to the track storage charges. The $3.00 and $5.00 charges named in Section B will not apply, but when for any day the track storage charge, plus $1.00, is less than the charge named in Section B, an additional demurrage charge will be made sufficient to make the total charge for that day equal the $3.00 or $5.00 charge, as the case may be.

5. Credits earned under Rule 9 (Average Agreement) cannot be used to offset any charges provided above which are in excess of $1.00 per day.

6. This section shall apply to cars into which freight is loaded or transferred in transit, for the purpose of providing necessary protection from climatic conditions.

Rule 8—Claims.

No demurrage charges shall be collected under these rules for detention of cars through causes named below. Demurrage charges assessed or collected under such conditions shall be promptly canceled or refunded by the carrier.

Causes.

Section A—Weather interference.

1. When the condition of the weather during the prescribed free time is such as to make it impossible to employ men or teams in loading or unloading, or impossible to place freight in cars, or to move it from cars, without serious injury to the freight, the free time shall be extended until a total of 48

hours free from such weather interference shall have been allowed.

2. When shipments are frozen while in transit so as to prevent unloading during the prescribed free time. This exemption shall not include shipments which are tendered to consignee in condition to unload. Under this rule consignees will be required to make diligent effort to unload such shipments.

3. When, because of high water or snow-drifts, it is impossible to get to cars for loading or unloading during the prescribed free time.

This rule shall not absolve a consignor or consignee from liability for demurrage if others similarly situated and under the same conditions are able to load or unload cars.

SECTION B—Bunching.

1. *Cars for loading*—When, by reason of delay or irregularity of the carrier in filling orders, cars are bunched and placed for loading in accumulated numbers in excess of daily orders, the shipper shall be allowed such free time for loading as he would have been entitled to had the cars been placed for loading as ordered.

2. *Cars for unloading or reconsigning*—When, as the result of the act or neglect of any carrier, cars destined for one consignee, at one point, are bunched at originating point, in transit, or at destination, and delivered by the carrier line in accumulated numbers in excess of daily shipments, the consignee shall be allowed such free time as he would have been entitled to had the cars been delivered in accordance with the daily rate of shipment. Claim to be presented to carrier's agent within fifteen (15) days.

SECTION C—Demand of overcharge.

When the carrier's agent demands the payment of transportation charges in excess of tariff authority.

SECTION D—Delayed or improper notice by carrier—When notice has been sent or given in substantial compliance with

the requirements as specified in these rules, the consignee shall not thereafter have the right to call in question the sufficiency of such notice unless within forty-eight hours from 7:00 a. m. following the day on which notice is sent or given, he shall serve upon the delivering carrier a full written statement of his objections to the sufficiency of such notice.

1. When claim is made that a mailed notice has been delayed the postmark thereon shall be accepted as indicating the date of the notice.

2. When a notice is mailed by carrier on Sunday, a legal holiday, or after 3:00 p. m. on other days (as evidenced by the postmark thereon) the consignee shall be allowed five hours additional free time, provided he shall mail or send to the carrier's agent, within the first twenty-four hours of free time, written advice that the notice had not been received until after the free time had begun to run; in case of failure on the part of consignee so to notify carrier's agent, no additional free time shall be allowed.

Section E—Railroad errors which prevent proper tender or delivery.

Section F—Delay by United States Customs—Such additional free time shall be allowed as has been lost through such delay.

Rule 9—Average Agreement.

When a shipper or receiver enters into the following agreement, the charge for detention to cars, provided for by Section A of Rule 7, on all cars held for loading or unloading by such shipper or receiver shall be computed on the basis of the average time of detention to all such cars released during each calendar month, such average detention to be computed as follows:

Section A—A credit of one day will be allowed for each car released within the first twenty-four hours of free time (except for a car subject to Rule 2, Section B, Paragraph 5). A debit of one day will be charged for each twenty-four hours or fraction thereof that a car is detained beyond the free time. In no case shall more than one day's credit be allowed on any one car, and in no case shall more than five (5) days' credit be applied in cancellation of debits accruing on any one car.

When a car has accrued five (5) debits, the charge provided for by Rule 7 will be made for all subsequent detention, including Sundays and holidays.

Section B—At the end of the calendar month the total number of days credited will be deducted from the total number of days debited, and $1.00 per day charged for the remainder. If the credits equal or exceed the debits, no charge will be made for the detention of the cars, and no payment will be made to shippers or receivers on account of such excess of credits, nor shall the credits in excess of the debits of any one month be considered in computing the average detention for another month.

Section C—A shipper or receiver who elects to take advantage of this average agreement shall not be entitled to cancellation or refund of demurrage charges under Section A, Paragraphs 1 and 3, or Section B of Rule 8.

Section D—A shipper or receiver who elects to take advantage of this agreement may be required to give sufficient security to the carrier for the payment of balances against him at the end of each month.

Agreement.

.....*Rail*..... *Company:*

Being fully acquainted with the terms, conditions, and effect of the average basis for settling for detention to cars as set forth in ....., being the car demurrage rules governing at all stations and sidings on the lines of said rail..... company, except as shown in said tariff, and being desirous of availing (myself or ourselves) of this alternate method of settlement (I or we) do expressly agree to and with the .....Rail..... Company that with respect to all cars which may, during the continuance of this agreement, be handled for (my or our) account at ..... (Station) (I or we) will fully observe and comply with all the terms and conditions of said rules as they are now published or may hereafter be lawfully modified by duly published tariffs, and will make prompt payment of all demurrage charges accruing thereunder in accordance with the average

basis as therein established or as hereafter lawfully modified by duly published tariffs.

This agreement to be effective on and after the..... day of ..... 19...., and to continue until terminated by written notice from either party to the other, which notice shall become effective on the first day of the month succeeding that in which it is given.

.....

Approved and accepted....., 19...., by and on behalf of the above-named rail..... company by .....

Instructions and Explanations.

To Rule 1—Cars Subject to Rules.

Cars loaded with company material for use of and consigned to the railroad in whose possession the cars are held are not subject to demurrage, *and shall not be reported by agents unless specifically instructed so to do.*

Empty cars placed for loading with company material are subject to demurrage, unless the loading is done by the railroad company for which the material is intended and on its tracks.

Section A—Empty cars placed for loading live stock by shippers are not exempt and should be reported.

Live poultry is not considered as live stock, and cars so loaded are subject to demurrage.

Section C—Empty private cars stored on tracks switched by carriers, taken for loading without order or requisition from the shipper, and without formal assignment by carrier's agent, shall be recorded as placed for loading when actual loading is begun.

NOTE—Private cars belonging to an industry which does its own switching, placed upon an interchange track for forwarding and refused by the carrier's inspector, shall be released from demurrage if withdrawn by the industry from the interchange track within twenty-four (24) hours after rejection.

Private cars are not in railroad service

(a) When loaded and unloaded on the tracks of the owner and not moved over the tracks of a carrier;

(b) When placed by the carrier for loading on the tracks of the owner and refused by the inspector.

To Rule 2.—Free Time Allowed.

Section A—When the same car is both unloaded and reloaded, each transaction will be treated as independent of the other.

Section B—1. Applies to cars held on carrier line for disposition. (See Section B-2).

Section B—2. Applies to cars held in transit for reconsignment or on order of consignor or consignee. (See Rules 3, Section B, and 4, Section B.) A change of consignee after arrival of car at destination is not a reconsignment under these rules unless a diversion provided by tariff is involved.

Section B—4. *See last paragraph of instructions pertaining to Rule 4.—Notification.*

To Rule 3—Computing Time.

NOTE—The exemption of holidays does not include half holidays.

Section B—*Agents will in all cases attach to orders received by mail the envelope enclosing such orders, that there may be on file a record of release.*

To Rule 4—Notification.

Agents are cautioned that, in order to be legal, notices of the arrival of cars must be in writing, and must contain all of the items of information specified by this rule. An impression copy should be retained, and when notice is sent or given on a postal card the impression should be of both sides. If delivered by messenger, a receipt should be taken for the notice when practicable, in order to avoid possibilities of dispute.

In many cases it is desirable for both consignee and carrier

that notices be given in some other way, especially by telephone, but such notices are not legal under this rule except when "agreed to by carrier and consignee." In case consignees desire or will accept some notice other than the written notice, agents will require a written request from them to that effect, and this request, agreed to by the agent, must be retained on file in order to legalize the notice. Where the telephone form of notice is adopted, the agent should require the name of the receiver of the message when the notice is given. In the absence of specific agreements to the contrary, however, agents must not fail to send or give the regular written notice required by this rule. When consignee is notified through medium of United States mail, a record shall be kept of the date and hour each notice by United States mail is deposited in United States mail.

When address of consignee does not appear on billing and is not positively known, the notice of arrival must be addressed to the billed destination of the shipment and deposited in United States mails (in such case preferably enclosed in two-cent stamped envelope bearing return address, same to be preserved on file if returned). See Rule 3, Section B and Section C.

Attention is also directed to the fact that when cars are for delivery to public-team tracks, and placement is delayed for more than twenty-four (24) hours after notice of arrival is sent or given, a notice of placement must also be given to the consignee, and the free time for unloading computed according to the notice of placement.

At stations where grain and hay must be inspected or graded, cars being handled under Rule 2, Section B, Paragraph 4, the consignee agreeing with the carrier in writing, for file at the station, to accept the bulletining of the cars as due and adequate notice of arrival, the bulletins must be posted by 9:00 a. m. of each day, showing the previous twenty-four (24) hours' receipts, and the free time (twenty-four (24) hours allowed) is to be calculated from the first 7:00 a. m. thereafter. Where there is no agreement for bulletining of cars, the free time must be calculated from the first 7:00 a. m. after the day on which notice of arrival is sent to the consignee.

To Rule 5—Placing Cars for Unloading.

Section A—This will apply to such cars which consignees located on switching line are unable to receive and which, for that reason, the switching line is unable to receive from the carrier line; the carrier line will advise the switching line of point of shipment, car initials and number, contents and consignee, and if transferred in transit the initials and number of the original car; the switching line will notify consignee and put such cars under constructive placement.

To Rule 7—Demurrage Charge.

(*a*) Charges accruing under these rules must be collected in the same manner and with the same regularity and promptness as other transportation charges, *and agents will in like manner be held responsible for same.*

(*b*) *Freight upon which charges have accrued under these rules shall not be removed from railroad premises until charges thereon have been paid. When consignor or consignee refuses to pay, agent will hold freight until payment is made and continue to charge until freight is removed; or at his option, may send freight to public warehouses or yards, where the same will be held subject to storage charges and all other charges.*

(*c*) *When cars are detained on private or specifically designated tracks for unloading beyond the time allowed and demurrage charges are not promptly paid, agent must, upon advice to that effect from the Superintendent of Car Service, after sending or giving not less than five (5) days' written notice, decline to switch cars to private or specifically designated tracks for such parties, and thereafter tender freight from public team-tracks and collect all charges before delivery, until satisfactory guaranty is given that demurrage rules will be complied with.*

(*d*) *Charges that accrue while cars are held for loading, for receipt of billing instructions, or for reconsignment or distribution orders, will be collected by agents of the forwarding line when such shipments are ordered to points within the switching limits. When charges accrue on shipments ordered or destined to points beyond switching limits, such charges*

should be collected by the agent of the forwarding line. Such charges may be billed forward as advances, providing the charges are guaranteed in writing and entered on the shipping tickets and bills of lading and exhibited on the way-bills as "Demurrage Charges, Advanced and Guaranteed."

When demurrage charges accrue on cars held in transit by request of consignor or consignee, as agents can neither enter the charges on bills of lading nor obtain guarantee from consignor or consignee without unnecessary delay to the cars, the charges must either be billed forward as advances or separate bills made and charges collected from the party ordering the cars held.

To Rule 8—Claims.

Section A—*1. When a consignor or consignee claims exemption under this rule, agents must obtain a written statement from him to the effect that the conditions were such as are set forth in the rule.*

Section B—*2. When claim is made for exemption from demurrage on account of bunching of cars for unloading or reconsigning, as provided in this rule, agents will require written statement of all cars, with date and point of shipment of each, as evidenced by the bills of lading, if necessary, and forward same to the Superintendent Car Service, with report showing exemption demanded on account of such bunching.*

Sections C and E—*When demurrage should not be collected under these sections, agents will make report to the Superintendent Car Service, together with copy of billing and all information in their possession, showing where the error occurred.*

Section E—*See Instructions under Section C.*

To Rule 9—Average Agreement.

Application for agreement provided for in Rule 9 will be forwarded to the Superintendent Car Service, and when executed instructions will be furnished the agent as to the method of reporting.

INTERPRETATIONS OF THE NATIONAL CAR DEMURRAGE RULES.

Approved by the Committee on Relations between Railroads.

Owing to the possibilities of controversy as to application and correct interpretation of the National Car Demurrage Rules, the Committee on Relations between Carriers, has filed with Interstate Commerce Commission their interpretation of these rules.

RULE 1.

Rule 1 provides that "Cars held for or by consignors or consignees for loading, unloading, forwarding directions, or for any other purpose, are subject to these Demurrage Rules, except as follows:"

The private car "Note" under this rule reads, in part:

"Cars which belong to an industry performing its own switching service are in railroad service from the time they are placed by the industry upon designated interchange tracks and thereby tendered to the carrier for movement."

Interpretation No. 100.

Question—When cars belonging to such an industry are placed loaded on the interchange track and the consignor delays furnishing the carrier with billing or forwarding instructions, are such cars subject to the Demurrage Rules?

(a) When the industry is a party to the average agreement?

Answer—Yes; but such a car cannot earn a credit. Debits must be charged against it if detained beyond next 7.00 a. m. after placing.

(b) When it is not a party to the average agreement?

Answer—Yes, without free time.

RULE 1, SECTION B.

Rule 1, Section B, excepts from operation of Demurrage Rules "Empty cars placed for loading coal at mines or mine sidings, or coke at coke ovens."

Note—Section B, as amended November 20, 1912, reads: "Empty cars placed for loading coal at mines or mine sidings, or coke at coke ovens, and cars under load with coal at mines or mine sidings, or coke at coke ovens."

Interpretation No. 121.

Question—Does this exception apply to foreign cars? It is pointed out that it may be a hardship in some cases to pay per diem on cars which are not loaded promptly, and on which no demurrage can be collected.

Answer—Yes. Excessive per diem on foreign cars can be avoided by the distribution rules of the carrier.

Interpretation No. 123.

Question—Does this apply to empty cars placed for loading at slack washers when such slack washers are located at a distance from the mine sidings?

Answer—Slack washers are adjuncts to coal mines, and cars placed for loading should be treated the same as if placed at a coal mine.

Interpretation No. 124.

Question—Does Section B, Rule 1, apply to cars placed for loading coke or to such cars loaded with coke at by-product ovens or gas retorts which are not adjuncts to mines?

Answer—No.

RULE 2.

Rule 2. Free time allowed:

Section A—Allows 48 hours' (2 days) free time for loading or unloading on all commodities.

Section B—Allows 24 hours' (1 day) free time when cars are held for reconsignment and certain other reasons.

Interpretation No. 200.

A plant has its own tracks and sidings, switching and spotting is performed by the railroad; after car has been placed for unloading and the load partly removed car is desired at another part of the yard to complete unloading, for which movement a switching charge of $1 is made.

Question—Does Rule 2, Section B, Paragraph 1, apply on first record with 24 hours' allowance, and Rule 2, Section A, on final record after placement?

Answer—This should be considered as one transaction, and only one allowance made of 48 hours, under Rule 2, Section A.

Interpretation No. 203.

Question—Does Rule 2, Section B, apply on cars for a consignee who has signed the average agreement, under the following circumstances:

(a) A car arrives at a station consigned to A, who orders it delivered to B, who is working under the average agreement. No switching movement covered by a tariff is involved. How should this case be treated?

Answer—B is really the consignee. The whole detention should be charged against him under his average agreement, and no free time allowed to A.

(b) A car arrives at a station consigned to "A notify B," which requires surrender of bill of lading before delivery can be effected. Bill of lading is surrendered and car delivered to B, who is working under the average agreement. No switching movement covered by a tariff is involved. How should this case be treated?

Answer—B is the consignee in this case, also. The whole detention should be charged against him under his average agreement, and no free time allowed to A.

Interpretation No. 205.

Question—If a car arrives at destination billed "to order," should consignee be allowed 24 hours for the surrender of bill of lading, and then, after car is ordered to his own switch, should 48 hours additional be allowed for unloading?

Answer—Consignee should not be allowed 24 hours' additional time. Car is for unloading and not for reconsignment.

Interpretation No. 206.

Question—A car arrives at destination billed straight, not "order notify." The consignee does not have a private siding. The car is placed on hold track until the consignee is notified and advises where he wants delivery made. Should the consignee be allowed twenty-four hours in addition to the forty-eight hours for unloading?

Answer—No; car is for unloading, and only forty-eight hours should be allowed.

Interpretation No. 207.

Question—The question has been raised as to what allowance, if any, should be made for delay between the receipt of orders and the time car is placed for unloading when cars are held for surrender of bill of lading, payment of freight charges, or other orders for delivery. (This also refers to Rule 5, Section A.)

Answer—Allowance should be made in this case only when there is delay by carrier in placing, when actual time between receipt of order and placing of car should be added to free time.

Interpretation No. 208.

Question—A car is placed for unloading on a public-delivery track and part of the lading is removed. The car is then switched to another part of the same yard and

the rest of the lading is removed. There is a switching charge for this movement. What free time should be allowed—

1—For the partial unloading?

2—For the final unloading?

Answer—This is one transaction, and only forty-eight hours (2 days) should be allowed for the total unloading.

RULE 2, SECTION B, PARAGRAPH 3.

Rule 2, Section B, Paragraph 3, allows twenty-four hours' (one day) free time: "When cars destined for delivery to or for forwarding by a connecting line are held for surrender of bill of lading or for payment of lawful freight charges."

Interpretation No. 209.

Question—A car is loaded in switching service and tendered to a carrier line in advance of billing. Under the rule, should the carrier line notify the shipper that the car is held and is twenty-four hours' full time from the next 7.00 a. m. to be allowed to the consignor to supply billing?

Answer—No extra time should be allowed; car is not released until billing information is forwarded by the shipper. The carrier line is under no obligation to notify the shipper.

RULE 2, SECTION B, PARAGRAPH 5.

Rule 2, Section B, including Paragraph 5, reads:

"Twenty-four hours' (one day) free time will be allowed: When cars are stopped in transit to complete loading, to partly unload or to partly unload and partly reload (when such privilege of stopping in transit is allowed in the tariffs of the carriers)."

Rule 8, Section A, Paragraph 1, reads:

"When the condition of the weather during the prescribed free time is such as to make it impossible to employ

men or teams in loading or unloading, or impossible to place freight in cars, or to move it from cars, without serious injury to the freight, the free time shall be extended until a total of 48 hours free from such weather interference shall have been allowed."

Rule 2, Section B, Paragraph 5, only allows 24 hours, while Rule 8, Section A, Paragraph 1, allows 48 hours, free from weather interference.

Interpretation No. 231.

Question—Can the provision of Rule 8, Section A, Paragraph 1, be applied to Rule 2, Section B, Paragraph 5, and how much time should be allowed free from weather interference?

Answer—Yes; but twenty-four hours only should be allowed for weather interference, as this is the total free time specified in Rule 2, Section B, Paragraph 5.

RULE 3—NOTE.

Rule 3 (Note) provides for the exclusion of holidays in computing time.

Interpretation No. 300.

Question—Should a day which is established by custom and observed by members of special organizations be considered a legal holiday?

Answer—A day established by custom should not be regarded as a legal holiday, nor exempted under the rules, unless confirmed by the State.

Interpretation No. 301.

What is meant by a National holiday? Should not this word be omitted?

Answer—National holidays are legal holidays in the District of Columbia and other territory under direct control

of Federal Government, but not in the rest of the country unless confirmed by the State.

Interpretation No. 302.

Question—Should Sundays be included in computing detention under average rule?

Answer—The rule distinctly states that Sundays and legal holidays will be excluded. Therefore, there is no reason why Sundays should be included in figuring under the average agreement, except as provided for in Rule 9, Section A.

RULE 3, SECTION B.

Rule 3, Section B, provides that "On cars held for orders, time will be computed from the first 7.00 a. m. after the day on which notice of arrival is sent or given to the consignee."

Interpretation No. 321.

Question—A railroad has a point established where it stops cars for reconsignment. In some cases it is the custom for the agent at such point to notify the general office of the railroad company of the arrival of the cars, the general office giving the notice to the consignee. This notice is sometimes delivered one or more days after the car arrives. In other cases the notification is mailed direct by the agent at the reconsigning point to the owner. The question is, when should free time begin—at the next 7.00 a. m. after the arrival of the car at the point of reconsignment, or at the next 7.00 a. m. after notice is sent by the general office?

Answer—The time should begin the next 7.00 a. m. after notice is sent, without regard to the point from which it is sent.

Note—It should be noted that undue delay in sending notice may result in illegal discrimination.

Interpretation No. 322.

Rule 3, Section C, provides that: "On cars held for unloading, time will be computed from the first 7.00 a. m. after placement on public-delivery tracks, and after the day on which notice of arrival is sent or given to consignee."

Question—After notice of arrival has been sent, car is not placed within 24 hours. It then is placed, and a notice of placement sent. From what time shall free time be computed? (This is also in connection with Rule 4, Section A.)

Answer—Time should be computed from next 7.00 a. m. after placement and notice.

Interpretation No. 323.

Rule 3, Section B, provides that "On cars held for orders, time will be computed from the first 7.00 a. m. after the day on which notice of arrival is sent or given to the consignee."

Rule 3, Section B, also provides that "When orders for cars held for disposition or reconsignment are mailed, such orders will release cars at 7.00 a. m. of the date orders are received at the station where the freight is held."

Question—If a shipper forwards a car billed to himself at some distant point, and, after the arrival of the car at destination, gives a reconsigning order to the agent at the originating point, which is accepted, shall the car be released at the time the order is received by the agent at the originating point or when received by the agent at destination?

(a) When the point of origin and point of destination are on the same line?

Answer—Car should be released at the 7.00 a. m. of the day notice is received at destination, provided the notice is mailed prior to the date received, but notice mailed and received on the same date releases car the following 7.00 a. m.

This is covered by Rule 3, Section B, Paragraph 2.

(b) When the point of origin and point of destination are on different lines?

Answer—Under Rule 3, Section B, it would make no difference if the point of origin and point of destination are on different lines.

RULE 3, SECTION C.

Rule 3, Section C, provides for computing free time on cars containing bonded freight.

RULE 3, SECTION D.

Rule 3, Section D, reads:

"On cars to be delivered on any other public-delivery tracks, time will be computed from the first 7.00 a. m. after actual or constructive placement on such tracks. See Rule 4 (Notification) and Rules 5 and 6 (Constructive Placement).

"Note—'Actual Placement' is made when a car is placed in an accessible position for loading or unloading or at a point previously designated by the consignor or consignee."

Interpretation No. 341.

A consignee has a private track of 15 cars' capacity; unloading of consignment must be done by crane. Ability to unload by crane is three or four cars per day. Eleven cars placed on siding and railroad missed the usual daily switch, which was necessary to get cars under the crane.

Question—Should any allowance be made under Rule 3, Section D, or should consignee arrange his facilities for unloading so that all cars which the siding can accommodate can be unloaded?

Answer—Yes. Such time as is lost by failure of the railroad company to make at least one switch a day.

RULE 3, SECTION E.

Rule 3, Section E, provides that on cars to be delivered on private tracks, time will be computed from the first 7.00 a. m. after placement.

Interpretation No. 352.

Rule 4, Section C, provides that delivery as per Rule 3, Section D, will constitute notification.

Question—If a car containing a shipment which has been transferred in transit is placed on a private siding—

Should the time start from the time the car is placed even if railroad fails to give notice to the consignee of the original car number?

Answer—As consignee would be unable to identify, the free time should not start until he receives the necessary information to identify.

Interpretation No. 361.

Question—Under the average rule, it is the general practice, when a loaded car is delivered to an industry performing its own switching service, reloaded and returned to the interchange track, to treat it as two cars, and allow two credits if returned to the interchange track within 48 hours, one credit if returned within 72 hours, and neither a debit nor credit if returned in 96 hours. Is it proper to treat such a car as two cars when detained beyond the arbitrary period of seven days; in other words, is it proper to allow 14 debits before earning the arbitrary charge, treating it as two cars under the seven-day stop clause of the average rule? (This also refers to Rule 9.)

Answer—When it is impracticable to check the tracks of the industry, such a car may be allowed 10 debits before arbitrary charge is made.

Interpretation No. 362.

Question—Should a railroad yard some distance from a mill be considered as an interchange track when the mill takes the cars with their own engines from such a track? This raises the question of notice; if it is considered an interchange track, no notice being required. This also involves the question of engines moving over

railroad tracks between mills. (This also refers to Rule 4, Section C.)

Answer—If the railroad is in the habit of taking cars away from this assigned track they are not really placed for the industry, unless notice is served on the industry tending the cars. It hardly seems logical to charge an industry with cars if the railroad company can take them away, as the industry would have no method of checking what cars had been tendered them.

Interpretation No. 363.

Question—An industry doing its own switching removes an empty car from interchange track at 8.00 a. m., makes use of the car in inter-mill service, and returns it empty to the interchange track at the end of the same day. Should Rule 3, Section E, apply, and no charge be made?

Answer—If a car taken for outbound loading is incidentally used in inter-mill service and not loaded for movement, it comes under Rule 6, Section B. It is to be noted that the providing of any cars free for use in inter-mill service may be an illegal discrimination. (See Interpretations Nos. 902 and 903.)

RULE 4, SECTION C.

Rule 4, Section C, provides that notice of arrival is not necessary on cars delivered to private sidings or industrial interchange tracks.

Interpretation No. 421.

Question—In the case of an interchange track being in a yard where empties are placed for an industry, but where the railroad has free access and may take the empties out of this yard after they are placed, is it proper, instead of charging from the first 7.00 a. m. after the cars are placed on the interchange track, to charge from the first 7.00 a. m. after the industry takes the cars away; that is to say, in this case does the fact that the railroad goes in and takes

the cars from the interchange track make it cease to be an interchange track in the sense of absolute delivery to the works?

Answer—As long as the railroad has free access to the yard and has control over the empties in this yard they cannot be charged to the industry until they take cars away, unless they have been ordered by the industry and tendered on the order.

Interpretation No. 422.

Question—Cars other than those for delivery to the industry are sometimes placed on the interchange track of industries performing their own switching service, and such industry is unable to identify its own cars. Should notice of placement be given to the industry of all cars placed for it and free time be computed from the first 7.00 a. m. after notice or from the first 7.00 a. m. after actual placement?

Answer—If the industry cannot identify the car, delivery cannot be considered to have been made until the necessary information is given; otherwise industries would take the cars which did not belong to them and which had been incorrectly placed by the railroad. Free time is computed from next 7.00 a. m. after placement and notice.

RULE 5, SECTION B.

Rule 5, Section B—placing cars for unloading—reads: "When delivery cannot be made on specially designed public-delivery tracks on account of such tracks being fully occupied, or from other cause beyond the control of the carrier, the carrier shall send or give the consignee notice in writing of its intention to make delivery at the nearest point available to the consignee, naming the point. Such delivery shall be made unless the consignee shall before delivery indicate a preferred available point, in which case the preferred delivery shall be made."

Interpretation No. 511.

Question—When there are two public-delivery tracks at a point on the same road, which are some distance apart, and the consignee requests that placement of a given car be made on one of these tracks, which is only one block from his place of business, but which track is fully occupied by cars for other patrons, how far distant must the other team-track be from the said consignee's place of business before it can be considered accessible?

Answer—Distance should not be considered. Car should be offered at nearest available track. If refused, then it should be held for consignee, subject to demurrage.

Interpretation No. 512.

Question—When a consignee requests a car placed on a preferred team track which is filled with cars, can the provisions of the constructive placement rule be applied, providing such consignee is willing to accept and acknowledge a written notification of constructive placement; or must such a car be placed on some other public-team track before demurrage charges can be lawfully assessed, although consignee is willing to pay demurrage charges and wait until there is room on the preferred public-delivery track?

Answer—The consignee being willing to accept the notification as constructive placement and agreeing to pay demurrage, the railroad can hold the car until the preferred track is in condition to receive car without placing same on some other team track.

Interpretation No. 513.

Rule 5, Section B, reads, in part: "When delivery cannot be made on specially designated public-delivery tracks on account of such tracks being fully occupied, or from other cause beyond the control of the carrier, the carrier shall send or give the consignee notice in writing of its

intention to make delivery at the nearest point available to the consignee, naming the point."

A portion of a team track is assigned to a contractor and accepted by him for his private use. It is sufficient to accommodate four cars and the contractor erects a conveyor at that point.

Consignee's freight cannot be unloaded without the use of the conveyor.

He is working under the average agreement.

Owing to weather interference and other causes cars accumulate and are placed on other nearby tracks and held there until they could be placed on conveyor track.

There were loaded cars under the conveyor at all times.

Consignee claims exemption from demurrage under Rule 5, Section B.

Question—Can the portion of the team track so assigned be considered a private track and are the cars held on the nearby tracks subject to constructive placement as provided for in Rule 5, Section A?

Answer—Yes.

RULE 6, SECTION A.

Rule 6, Section A, reads, in part: "Cars for loading will be considered placed when such cars are actually placed or held on orders of the consignor."

Rule 4—"Notification"—has no provision for notification of empty cars placed for loading.

Interpretation No. 601.

Question—Should a notification of placement be given for an empty car placed for loading at any siding or spur track under the jurisdiction of an agent located at a station several miles away?

Answer—This is not necessary, as Rule 6, Section A, does not require that any notice shall be given.

RULE 6, SECTION B.

Rule 6, Section B, provides for no free time allowance on empty cars placed but not used.

Instructions to Rule 7, Section C, provide that, when cars are detained on private tracks and payment of accrued demurrage charges is refused, further cars will not be furnished after 5 days' written notice.

Interpretation No. 611.

Question—Where parties ordering empty cars have refused to pay demurrage charges accruing after cars have been placed and not used, can further supply of empty cars be refused to such party at the same and other stations until such previously accrued charges have been paid?

Answer—It would hardly be permissible to refuse to furnish empty cars, as the railroad company has a redress in an action in the courts.

Interpretation No. 712.

Rule 7, Section B, Paragraph 1, provides:

"Section B—Refrigerator or other fully insulated cars (which have been ordered by consignor or shipper) will be subject to the following charges after the expiration of the free time allowed."

Section B, Paragraph 6, reads:—"This section shall apply to cars into which freight is loaded, or transferred in transit for the purpose of providing necessary protection from climatic conditions."

A refrigerator or other fully insulated car is held under load.

Question—Is this car subject to the charges named under Rule 7, Section B?

Answer—Yes, unless there is a notation on bill of lading or way-bill, to the effect that the refrigerator or other fully insulated car was not ordered by the shipper or consignor or that the car was not used for the purpose of providing necessary protection. In the absence of such notation the car is subject to the charges provided for by Rule 7, Section B, but where such notation is made car will be subject to the charge provided for by Section A.

RULE 8—CLAIMS.

In some localities there is a State, county or municipal law restricting the use of roads (highways) when in soft condition.

Interpretation No. 800.

Question—What allowance should be made to consignee for days on which this condition exists?

Answer—As the action of the authorities in restricting the use of the roads is not a railroad disability, no allowance should be made.

RULE 8, SECTION A—THE WEATHER RULE.

Rule 8, Section A, provides that no demurrage shall be assessed for detention caused by certain weather interference.

Interpretation No. 811.

Question—When a plant or any approach to the same plant is inaccessible by reason of a flood, should any allowance in free time be made?

Answer—Where this involves no disability of the carrier, no allowance should be made.

Interpretation No. 813.

Question—In the case of a shipment of material not subject to "serious injury" by rain, such as coal, rock, etc., should an allowance be made for an ordinary rainy day? In other words, would such a day constitute a condition of weather making it "impossible to employ men or teams in loading or unloading?"

Answer—This is to be handled strictly as a question of fact, and determined on best evidence available.

Interpretation No. 814.

Shipments of tanning extract received frozen. Commodity can be thawed in one day, and can be drawn off in one day.

Question—Should two days be allowed to draw it off after extract has been thawed out?

Answer—As the weather rule makes no limit as to the time to be allowed, such time allowance would have to be made as would be necessary to thaw out the liquid. No allowance can be made when consignee is working under the average rule.

Interpretation No. 815.

Empty car placed for loading, partially loaded, but, on account of weather, completion of load prevented, and car then unloaded.

Question—Should any free time allowance be given? If so, how much?

Answer—If car is returned empty, it should be treated as a car taken empty and not used, and come under Rule 6, Section B.

Interpretation No. 816.

Question—What allowance should be made for snow or icy roads at points other than at immediate track where car is being unloaded?

Answer—The railroad is not responsible for the condition of roads off their right of way, and no allowance should be made.

Interpretation No. 817.

Question—What allowance, if any, should be made when only part of a day is rainy? For example, it rains from 7.00 to 9.00 a. m., while the rest of the day is fair, or from 11.00 a. m. to 1.00 p. m., the day being fair before and after these times; or, the day is fair up until 4.00 p. m.

Answer—Allowance should be made only for the time it is actually raining.

Interpretation No. 818.

Question—Should an allowance be made for weather interference after the expiration of free time, if cars have

been bunched so as to prevent the consignee from unloading within the free time?

Answer—Yes; if cars have been bunched and weather has interfered with the unloading, such additional free time should be allowed as was lost by bad weather.

RULE 8, SECTION B—THE BUNCHING RULE.

Interpretation No. 831.

Question—Do the words of the bunching rule mean that the cars must be grouped together, not necessarily in one train or in one yard, but in such a manner that they will arrive at destination and be tendered to consignee on the same day, when they have been shipped on different dates, or are they intended to apply as well to two cars shipped two days apart and arrive at destination and be tendered to consignee one day apart?

Answer—Bunching rule should apply in both of these cases, as cars should be delivered as nearly as possible in the order of their shipment.

Interpretation No. 832.

Question—A shipper gives orders to ship three cars two days apart from the same point of shipment to the same destination, and shipper complies with these orders. The three cars arrive at destination on the same date; the consignee's ordinary capacity for unloading is only one car in two days. What allowance should be made?

Answer—In this case the consignee should be allowed, on one car, 48 hours; the second car, 96 hours, and the third car, 144 hours.

Interpretation No. 834.

Question (a)—A consignee receives a consignment of a number of cars of heavy material at a station where the railroad maintains a station crane. The entire ship-

ment arrives within two days after being unloaded from a vessel. The consignee is only able to unload one car a day, and claims demurrage should not start until the cars are actually placed under the crane. When does demurrage start on the cars held out?

Answer—The railroad company is not obliged to furnish a crane, and if consignee desiring to use it has shipments made to him in greater quantities than the known capacity of the crane, he should be responsible for the demurrage. So in this case demurrage would begin forty-eight hours after the next 7.00 a. m. after consignee is notified.

(b)—How would demurrage be affected on a second consignment for another consignee arriving before the first consignment had been unloaded?

Answer—As cars must be placed in the order of their arrival, the second consignee must wait until all of the cars of the first arrival are unloaded, and demurrage should begin forty-eight hours after the next 7.00 a. m. after consignee is notified of the arrival of the cars.

RULE 8, SECTION B, PARAGRAPH 2.

Rule 8, Section B, Paragraph 2—the bunching rule—provides (prior to amendment of May 15, 1912): "Claim to be presented to the carrier's agent before the expiration of the free time."

Interpretation No. 836.

Rule 8, Section B, Paragraph 2—the bunching rule—provides: "Claim to be presented to carrier's agent within fifteen (15) days."

Question—From what date should the fifteen-day period begin?

Answer—As the consignee is not in position to make any claim on account of bunching until the demurrage bill is presented, the fifteen-day period should begin on the day following the day on which it is presented.

RULE 8, SECTION E—ERRORS.

Interpretation No. 861.

Question—A consignee has a quantity of freight shipped to him in such amounts as he could ordinarily unload without incurring demurrage, but, owing to a strike or trouble with his employes, he is unable to unload so as not to incur demurrage. Should any time allowance be made?

Answer—The railroad company is not responsible for the conditions of labor in an industry, and, therefore, no allowance should be made on account of a strike.

Interpretation No. 862.

Question—Does this rule cover only errors made by the road on which the car is loaded, or does it cover errors on any railroad over which the car may have traveled, including the originating road?

Answer—The rule states simply railroad errors. This would naturally apply to any railroad over which the freight is transported.

Interpretation No. 863.

Freight is damaged in transit, and consignee declines to accept car until adjustment is made by railroad company.

Question—Does rule apply, and exempt car from demurrage charge?

Answer—No.

Interpretation No. 864.

Question—Does rule apply in case of excessive delay in transit, on account of which a given shipment is refused by consignee?

Answer—The rule should apply when the delay is so excessive as to justify refusal.

Interpretation No. 865.

Charges accrue, it is claimed, on account of "run-arounds" causing later shipments to be placed ahead of earlier shipments.

Question—Does rule apply under these circumstances?

Answer—"Run-arounds" do not come under the rule unless bunching is caused by the "run-arounds." When cars are under constructive placement and recent arrivals are "run-around" and then unloaded in less than twenty-four hours, proper allowance should be given. No allowance can be made when consignee is working under the average rule. (See Rule 8, Section B.)

Interpretation No. 866.

Question—What allowance should be made where the regular switching time is 8.00 a. m. and such switching is not performed until 12.00 noon?

Answer—A railroad is not obliged to make more than one switch, and a delay in switching of a few hours should not be taken into account, unless custom has established a more frequent practice.

Interpretation No. 867.

Question—What allowance should be made where two or more firms occupy the same track, which necessitates the disturbing of one of the industry's cars in order to switch cars of the other industry?

Answer—If two firms occupy the same track, it is their disability, and the interruption to their loading or unloading necessary to operate the track is not the fault of the carrier.

Interpretation No. 868.

Question—What allowance should be made where cars are taken away from an industry while one road delivers cars to another?

Answer—As this is the fault of the carrier, time should

be allowed equal to the time the cars are away from the industry.

Interpretation No. 869.

Question—When there are cars on constructive placement and the railroad fails to shift the siding of the consignee in whole or in part, what allowance should be made for this error of the railroad company?

Answer—No allowance will be made unless all cars are unloaded before next shift is made. If a shift is missed when a siding is full of empty cars, one day extra free time is to be allowed on each car under constructive placement at the time shift was missed. If a shift is missed when only a part of the cars on the siding are empty, one day extra free time will be allowed on a proper proportion of the cars under constructive placement. This proportion corresponds to the proportion of empty cars to the total number of cars on the siding when the shift is missed. When shifts are regularly made twice a day, half above allowance will be made, and so on. Each commodity will be computed separately, when so requested. (See Rules 5, Section A, and 6, Section A.)

Interpretation No. 870.

Question—What allowance should be made where an unexpected rush of business in a given district prevents the prompt placing for actual unloading of cars constructively placed?

Answer—Allowance should be made only when a switch is actually missed.

Interpretation No. 871.

Question—A railroad has a right to demand the surrender of the bill of lading on all shipments, but it is the custom to require only the surrender of bills of lading reading "to order." A car was billed in error "to order," which caused delay in releasing the car, so that demurrage

accrued. If the car had not been billed "to order" it would have been promptly released. Should the demurrage be cancelled?

Answer—Yes; as this was a railroad error.

RULE 9—THE AVERAGE AGREEMENT.

Interpretation No. 900.

A public elevator under the law is not allowed to handle its own grain, penalty being provided in some States. It is not the consignor or consignee of the grain; it loads or unloads the grain under instructions of the owner.

Question—Is this public elevator entitled to the average plan on all the cars it loads or unloads?

Answer—As the elevator company is not the consignor or consignee of the commodity, does not pay freight upon it and cannot be held for demurrage, it is not entitled to work under the average plan, but any consignor or consignee on whose account grain is handled by the elevator may sign the average agreement.

Interpretation No. 901.

Question—Should cars loaded with grain which are held for orders, and subsequently ordered by the consignee to be unloaded into the elevator of a carrier, come under the average agreement of such consignee?

Answer—The average plan does not cover cars held for orders, and, therefore, the average plan could not be applied in this case until the cars are actually ordered unloaded.

Interpretation No. 902.

Empty cars are delivered to concerns working under average agreement and not used.

Rule 6, Section B, provides for no free time allowance on empty cars placed but not used.

Question—Do empty cars, not returned loaded, come under the average agreement? If so—

(a) Do they get one credit if returned empty in 24 hours?

Answer—These cars come under the average agreement, and also under Rule 6, Section B. A debit will be charged for every day such a car is held.

(b) Do the provisions of Rule 6, Section B, apply in connection with the average agreement?

Answer—Yes. (See Interpretation No. 363.)

Interpretation No. 903.

Question—Should cars used in inter-mill service be included in the average agreement?

Answer—If cars are provided for inter-mill service, proper rental should be charged without reference to demurrage. (See Interpretation No. 363.)

Interpretation No. 904.

Question—Can the cars of one consignee, handled at two separate and distinct stations, under different agents, be assembled under one average agreement?

Answer—No. The agreement provided in Rule 9 covers only one station. Separate agreements must be entered into for each station.

Interpretation No. 905.

Question—Consignee receives freight at two separate and distinct delivery yards under the jurisdiction of a single agent, and such delivery yards may be a mile apart. Should a separate average agreement be made effective with such consignee at one of such delivery yards and not at the other; or, if he enters into the average agreement, must same include all cars handled by such consignee at both of such delivery yards?

Answer—If two separate and distinct delivery yards are located at one station, there should be only one agreement.

If the yards are at different stations, there should be two agreements, even if there is only one agent over both stations.

Interpretation No. 906.

Question—Consignee has two plants located along the same line, one a few blocks away from the other, and the nature of the commodity handled at one of the plants will be different from that handled at the other plant. Will the average agreement apply at each of such plants separately, or must it include cars handled at both of such plants?

Answer—The difference in the commodity handled at the separate plants would not affect the average agreement, and both plants should be included in same if at the same station.

Interpretation No. 907.

Question—Where there are two or more separate and distinct freight stations under the jurisdiction of one agent, if a consignee handles cars at more than one of such stations must the average agreement include the cars handled at all such stations jointly, or can it be made to include only the cars handled at one of such stations?

Answer—If the accounts of the distinct freight stations are kept separate, the question of the jurisdiction of one agent would have nothing to do with the average agreement, and, therefore, there should be separate ones for each station.

Interpretation No. 908.

Question—Where an industry is having work done on its plant, and the cars for the contractor are consigned in the care of the industry, the industry working under the average plan, can the cars for the contractor be taken into the account of the industry under the average plan, the industry guaranteeing the freight charges?

Answer—No. The benefits of an average agreement cannot be conveyed to any other interest than that signing the same.

Rule 9—Average Agreement—reads: "When a shipper or receiver enters into the following agreement, the charge for detention to cars, provided for by Rule 7, on all cars held for loading or unloading by such shipper or receiver shall be computed on the basis of the average time of detention to all such cars released during each calendar month, such average detention being computed as follows:"

Interpretation No. 910.

Question—Consignee receives freight at two separate and distinct plants under the jurisdiction of a single agent, and such plants may be a mile apart. While only one average agreement should apply to both plants, can consignee, if he so desires, enter into separate agreements for each plant?

Answer—Yes, if shipper desires this privilege.

RULE 9, SECTION A.

Rule 9, Section A, provides: "A credit of one day will be allowed for each car released within the first twenty-four hours of free time. A debit of one day will be charged for each twenty-four hours or fraction thereof that a car is detained beyond the free time."

Interpretation No. 920.

Question—A consignee has signed the average agreement under the National Demurrage Rules. Under the State law, seventy-two hours (three days) is allowed for unloading shipments of coal in carloads, but no average agreement is prescribed. Should seventy-two hours (three days) be allowed under the average agreement on intrastate shipments of coal in carloads before debits are charged?

Answer—No. When the average agreement is signed, the parties signing same obligate themselves to abide by its terms, which provide a credit of one day for each car released within the first twenty-four hours of free time. A debit of one day will be charged for each twenty-four hours or fraction thereof that a car is detained beyond the free time.

Interpretation No. 923.

Rule 7, Section B, Paragraph 5, reads: "Credits earned under Rule 9 (Average Agreement) cannot be used to offset any charges provided above which are in excess of $1.00 per day."

Rule 9, First Paragraph, (Preamble), reads: "When a shipper or receiver enters into the following agreement, the charge for detention to cars provided for by Section A of Rule 7, on all cars held for loading or unloading by such shipper or receiver shall be computed on the basis of the average time of detention to all such cars released during each calendar month, such average detention to be computed as follows:"

Rule 9, Section A, last sentence, reads: "When a car has accrued five (5) debits, the charge provided for by Rule 7 will be made for all subsequent detention, including Sundays and holidays."

Rule 9, Section B, second sentence, reads: "If the credits equal or exceed the debits, no charge will be made for the detention of the cars, and no payment will be made to shippers or receivers on account of such excess of credits, nor shall the credits in excess of the debits of any one month be considered in computing the average detention for another month."

A refrigerator or other fully insulated car subject to average agreement is held beyond free time allowed.

Question (a)—Will that portion of the charges provided for by Rule 7, Section B, which exceeds $1.00 per day apply?

Answer—Yes.

Question (b)—Will that portion of the charges which exceeds $1.00 per day apply on Sundays and Holidays?

Answer—No.

Question (c)—Will that portion of the charges which exceeds $1.00 per day apply if the credits equal or exceed the debits?

Answer—Yes. That portion of the charges which exceeds $1.00 per day applies as per Rule 7, Section B, in all cases (except on Sundays and Holidays).

CHAPTER X.

PRIVATELY OWNED RAILROAD CARS.

§ 1. Account System.
§ 2. Mileage Earnings.

CHAPTER X.

PRIVATE CARS.

Firms requiring tank cars and other special transportation equipment but not having sufficient business to warrant construction and operation of their own cars, or if their business is of a character such that it is impossible to operate the year round a uniform number of cars, often find it to their advantage to lease from car manufacturers this equipment of a type suitable for their purpose, for which a fixed rental is paid. Such leasing arrangement is usually made under a car service contract of which the following is a sample:

CAR SERVICE CONTRACT.

THIS AGREEMENT made and entered into this.....
of.....by and between.....
CAR COMPANY, a Corporation having its principal office in.....
.....party of the first part; and.....
.....
having its principal office in the City of.....
party of the second part, WITNESSETH:

First: The party of the first part agrees to.....
furnish to the party of the second part.....
.....
cars, having a capacity of approximately.....each;
which cars are to be used by the party of the second part exclusively in their service for.....

Second: The party of the first part agrees to deliver said cars to said party of the second part.....
.....

and the party of the second part agrees to accept delivery of said cars and to pay the service rate thereon, hereinafter provided for, from

.....

and until they are returned to the party of the first part at.....

.....

The party of the first part agrees to maintain said cars according to present requirements of railroad companies and existing M. C. B. Rules, but shall not be liable for any damage to, or loss of, any part of any shipment made in any of said cars. If any damage is caused to any of said cars while on the private tracks of the party of the second part, or on any other privately owned tracks, the party of the second part shall pay to the party of the first part the cost of repairing such damage. The party of the second part shall replace any removable tank parts (dome lids, outlet caps, etc.), if lost or broken.

Third: The party of the first part shall collect all mileage earned by said cars, and keep all records appertaining to their movements. Party of the second part shall assist party of the first part in following the movements of said cars by furnishing to the party of the first part complete reports of the movements of cars, giving destination, date and routing of each movement.

Fourth: The party of the second part agrees to pay to the party of the first part.....

per car per month for the use of said cars; said monthly payments shall be made on the first day of the month after said cars are delivered to the party of the second part, and on the first day of each month thereafter. The party of the first part shall each month credit party of the second part with all mileage earned by said cars while in the service of the party of the second part, according to, and subject to, all rules of the tariffs of the railroads. Said mileage credit shall be reported to the party of the second part on or about the twenty-fifth day of the month succeeding the month for which said credit is given, and such credit shall be deducted from the payment of rental due on the first day of the month next succeeding the sending of the credit memorandum, and the balance shall be remitted by the party of the second part to the party of the first part as and for full payment of the service rate for the preceding month.

Fifth: This agreement is to remain in full force and effect until the .....day of.....

and the party of the second part agrees to return all said cars to the party of the first part as hereinbefore provided, in the same condition in which they were received, excepting for ordinary wear and tear.

Sixth: The party of the second part agrees so to use said cars that their mileage under load shall be equal to their mileage empty on each railroad over which they move. Should the empty mileage on any

railroad over which they move exceed the loaded, the party of the second part shall pay the party of the first part for such excess at the rate established by the tariff of the railroad on which such excess of empty mileage is incurred.

Seventh: It is agreed that if either of the parties fails to perform any of the covenants or agreements herein stated, the other party may terminate this agreement.

Eighth: This agreement shall be binding upon the parties hereto, their successors, representatives, administrators, and executors, and shall not be assignable by the party of the second part without the written consent of the party of the first part.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their respective duly authorized officers, and attested by their secretaries and corporate seals to be hereunto affixed the day and year first above written.

CAR COMPANY.

ATTEST:

..... By.....

ATTEST: .....

..... By.....

The Official Railway Equipment Register, published at No. 75 Church Street, New York, contains, in addition to other valuable data and information concerning railway equipment, etc., lists together with designating marks of privately owned cars, with address of the owning company and information respecting the number of cars operated and other general information of like character. In the Register are also contained the car service rules of the American Railway Association, as well as rules covering the replacement and repairs to rolling stock, and other information for private car owners. This publication will be of great value to the industrial traffic department, which has to deal with this subject. The letter "X" is used as designating mark for private cars and this immediately following the number of the car.

To illustrate: The American Beet Sugar Company's cars are marked with the designating marks and number, ABSX 10, and up.

Rules covering the handling of privately owned cars are contained in the classifications, and in the absence of any exceptions to the classifications these rules govern the movement of such privately owned equipment. Official Classification Rule No. 29 has to do with this and reads as follows:

Section 1. In providing ratings in this Classification for articles in tank cars, the carriers whose tariffs are governed by this Classification do not assume any obligation to furnish tank cars. When tank cars are furnished by shippers or owners, mileage at the rate of three-quarters (¾) of one cent per mile will be allowed for the use of such tank cars, loaded or empty, provided the cars are properly equipped. No mileage will be allowed on cars switched at terminals nor for movement of cars under empty freight car tariffs.

Section 2. Private tank cars will be moved empty, without charge, at the time movement is made between stations or junction points on the lines of carriers whose tariffs are governed by this Classification (either individually or jointly), including delivery to connecting lines, subject to the following conditions:

(a) Should the aggregate empty mileage of any owner's cars on June 30th of each year, or at the close of any such yearly period as may be mutually agreed upon, exceed the aggregate loaded mileage on the lines of such carriers individually (or jointly when mileage accounts are computed jointly) such excess must be paid for by the owner, either by an equivalent loaded mileage during the succeeding six months, or, at tariff rates without minimum, plus the mileage that has been paid by the carriers to the owners on such excess empty mileage. Any excess of loaded mileage over empty mileage of any owner's cars at the end of the accounting period will be continued as a credit against the empty movement of such cars for the ensuing twelve months.

(b) New cars or newly acquired cars, moved empty to home or loading point by order of the owner, must be billed at regular tariff rates.

The Western Classification, in Rule No. 32, provides the following:

Section 1. Where the Classification provides ratings on commodities in tank cars, such ratings do not obligate the carrier to furnish

tank cars in case the carrier does not own, or has not made arrangements for supplying such equipment.

Section 2. When tank cars of private ownership are furnished by shippers or owners, mileage at the rate of three-fourths (¾) of a cent per mile will be allowed on loaded and empty movement provided they are properly equipped. No mileage will be allowed on such cars switched at terminals nor for movement under empty freight car tariffs.

Section 3. The weights and charges on shipments in tank cars shall be based on the full gallonage capacity of the tank, unless the weight carrying capacity of the car trucks is less, in which case the actual weight subject to the weight carrying capacity of the car trucks as minimum will govern.

The Southern Classification, in Rule No. 32, provides:

Section 1. Ratings provided for freight in tank cars do not obligate the carriers to furnish tank cars.

Section 2. Except as provided in Section 5 of this Rule, or in the separate descriptions of articles, actual weight shall be charged for freight in tank cars loaded full.

Section 3. When the tank is not full, charges shall be computed on the gallonage capacity of the tank, subject to Section 5 of this Rule, and the provisions of General Rule 39 (see Note). The gallonage capacities of tank cars are shown in W. H. Hosmer's (Agent) I. C. C. No. A-358, Circular No. 6-G, supplements thereto or re-issues thereof.

Note.—On articles subject to Section 1825 of the Regulations for the Transportation of Dangerous Articles other than Explosives, the minimum carload weight shall be computed at 98 per cent of the gallonage capacity of the tank.

Section 4. The "weight for computation," where published in the separate descriptions of articles in tank cars, is to be used in computing charges (a) when the tank is full and the actual weight is not obtainable, or (b) when the tank is not full and the gallonage capacity is used to compute the minimum charge.

Section 5. Tank cars must not be loaded beyond weight carrying capacity. If the freight loaded in a tank car is of such weight per gallon that the weight computed on the gallonage capacity of the tank is in excess of the weight carrying capacity of the tank car, the weight carrying capacity of the tank car will be the carload minimum weight.

Section 6. The tank or gallonage capacity of tank as referred to in this Rule does not include the capacity of dome.

§ 1. Account System.

There are several good systems of keeping account of the whereabouts of privately owned cars, and there is a wider diversity than might be imagined in the systems in successful operation. Some of the trunk lines recommend a system outlined briefly in the chart below, which is in use in the car accounting department of the roads referred to. This chart is made out containing a heading for every day in the month, and the whereabouts of the car is obtained from the reports furnished by the car accounting departments of the railroads, giving the passing of junction points. These reports are usually submitted on postal cards furnished by the private car owner to the car accountant when cars are forwarded from the originating points. The Car Accounting Department fills in the information as to movement of the car and mails the card to the car owner. This data is placed on the car account sheet, and at the end of the month the mileage of each car is summarized and carried into the column under the heading "mileage earned." It is then sub-divided and a debit and credit account is opened on another part of the sheet with each of the roads over which cars have moved during the month. It is customary for the carriers to make returns of mileage earned about the 15th of the month succeeding the month for which they are reporting. This statement covers all cars of a privately-owned line during the month, and it would, therefore, appear on the statement in one item, whereas a debit would be made up of several items. This skeleton form of the monthly car account chart is shown on next page. For want of space the full number of the days of the month are not included.

MONTHLY CAR ACCOUNT

Car No. X	1	2	3	4	29	30	31	Mileage Earned	MILEAGE ACCOUNT					
									N. Y. C.		P. R. R.		C. & A.	
									Debit	Credit	Debit	Credit	Debit	Credit

NOTE.—Figures in Black Ink used to denote car is under load. Figures in Red Ink used to denote car is empty.

At the end of each month the record of the whereabouts of the car is transferred to the first date of the succeeding month. In the event of car owner failing to receive a statement of mileage earned from any of the carriers by the twentieth of the month for the preceding month, a statement should be addressed to the Chief Car Accountant advising of the non-receipt of mileage statement, giving information as to how much mileage should be credited.

§ 2. Mileage Earnings.

Car owner is entitled to three-quarters of a cent per mile when car is under load, and the same amount when returning empty. It often happens that a car will not move over exactly the same route in both directions, and it occurs at times that there is a slight discrepancy between mileage earnings as reported by the railroad company and the mileage as determined by the car owner. This slight difference, however, would be immaterial, and the mileage records may be corrected accordingly.

Many of the lines employ form letters in their correspondence respecting repairs, billing and damage to privately owned cars.

The Pennsylvania Railroad Company has a typical form used by the General Superintendent of Motive Power which contains eight enumerated paragraphs. This letter has reference only to the matter of repairs and damage to cars, and the paragraph, reply to which is desired, is mentioned in the first or introductory paragraph of the letter, as will be noted.

THE PENNSYLVANIA RAILROAD COMPANY.

H. T. WALLIS,
General Supt., Motive Power.

ALTOONA, PA., (Date)
Reply to Desk

Dear Sir:—

Kindly see paragraph .... regarding ..... Car No. ....., which was damaged on our lines on .....

1. Car above mentioned was destroyed at place and date shown. Kindly furnish valuation statement. We will then advise as to settlement.
2. We have your letter of ..... giving description and valuation of your car ..... You may quote this letter as authority to render bill against Penna. R. R. Co. for the depreciated value of the ..... viz. $..... Trucks and air brakes will be returned in accordance with your instructions to .....
3. Please hurry reply to my letter concerning above subject.
4. Referring to communication above mentioned, will advise that we have thoroughly investigated the movement of car in question over our line, and can find no record of having made ..... repairs. Joint evidence herewith returned.
5. Referring to above noted communication. Our investigation develops that wrong repairs were made at ..... shop on ..... Defect card to cover is attached.
6. Joint Evidence Card, covering wrong repairs, found on above named car, is attached. Please investigate and, if responsible, furnish Defect Card to cover.
7. Communication above referred to is attached. Make prompt and thorough investigation concerning question raised and return promptly with result of same.
8. Bill of Lading covering return of ..... for above mentioned car herewith.

Yours truly,

.....
Gen'l Supt. Motive Power.

The responsibility for safety of privately owned cars, rests, of course, with the carrier over whose rails the car passes. The Master Car Builders' Association's rules make the owners responsible for, and therefore chargeable with the repairs for their cars necessitated by ordinary

wear and tear in fair service. The term fair service means handling under ordinary transportation conditions.

Railroad companies handling private cars, or cars of other lines, are responsible for damage done to any car by unfair usage, derailment, or accident, and for improper repairs made by them and they must make proper repairs at their own expense or issue a defect card covering all such damage or improper repairs. The carriers are required to give privately owned cars, while on its line, the same care as to inspection that it gives to its own cars and allow packing, adjusting brakes and running repairs.

The placing of the responsibility for damage to equipment is possible through the rules adopted by the Master Car Builders' Association, and before referred to. Privately owned cars having defect for which the delivering company is responsible must bear a card placed on the car by the delivery company when offered to a connection. This card (defect card) enumerates the defects that have occurred through the operation of the car over the rails of the carrier about to make delivery to its connection.

It will be seen that there is a very complete check on damage to privately owned cars, and the responsibility for such damage is easily placed, as the receiving line requires from the delivering line a defect card securely attached to such a car having defects, and the fact that the delivering carrier issues a defect card is in itself an admission that the car sustained damages while on its rails. Repairs which are necessary through the ordinary fair handling are chargeable to the owner of the cars, but repairs made necessary through unfair handling must be borne by the carrier at fault.

The company on whose lines bodies or trucks are destroyed are required to report the fact to the owner immediately upon their destruction, and the carrying

company may at its option rebuild the car or settle for same in accordance with M. C. B. Specifications.

If the company on whose line the car is destroyed elects to rebuild the body or truck, or both, the original plan of construction must be followed and the original kind and quality of materials used. In such cases some allowance is made for bottoms.

CHAPTER XI.

EXPLOSIVES AND DANGEROUS ARTICLES.

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EXPLOSIVES AND DANGEROUS ARTICLES.

As explosives are employed in a great many diversified classes of business, it became necessary for their safe handling that an adequate code of rules and regulations for the transportation of such dangerous articles be made, that the interests of the carrier and the shipper, as well as the safety of the traveling public, be properly protected. The Interstate Commerce Commission, therefore, have formulated rules and regulations which, from time to time, are amended as the changing conditions in transportation, or of different commodities offered for transportation, warrant.

The Congress of the United States, by an act entitled "An Act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, to take effect and be in force on and after the first day of January, 1910, the Act entitled "An Act to promote the safe transportation in interstate commerce of explosives and other dangerous articles, and to provide penalties for its violation," approved May 30, 1908, is repealed, and the following sections of said Act to codify, revise and amend the penal laws of the United States are substituted therefor:

Sec. 232. It shall be unlawful to transport, carry or convey, any dynamite, gunpowder, or other explosives, between a place in a foreign country and a place within or subject to the jurisdiction of the United States, or between

a place in any State, Territory, or District of the United States, or place noncontiguous to but subject to the jurisdiction thereof, and a place in any other State, Territory, or District of the United States, or place noncontiguous to but subject to the jurisdiction thereof, on any vessel or vehicle of any description operated by a common carrier, which vessel or vehicle is carrying passengers for hire: Provided, That it shall be lawful to transport on any such vessel or vehicle small arms ammunition in any quantity, and such fuses, torpedoes, rockets, and other signal devices, as may be essential to promote safety in operation, and properly packed and marked samples of explosives for laboratory examination, not exceeding a net weight of one-half pound each, and not exceeding twenty samples at one time in a single vessel or vehicle; but such samples shall not be carried in that part of a vessel or vehicle which is intended for the transportation of passengers for hire: Provided further, That nothing in this section shall be construed to prevent the transportation of military or naval forces with their accompanying munitions of war on passenger equipment vessels or vehicles.

Sec. 233. The Interstate Commerce Commission shall formulate regulations for the safe transportation of explosives, which shall be binding upon all common carriers engaged in interstate or foreign commerce which transport explosives by land. Said Commission, of its own motion, or upon application made by an interested party, may make changes or modifications in such regulations, made desirable by new information or altered conditions. Such regulations shall be in accord with the best known practicable means for securing safety in transit, covering the packing, marking, loading, handling while in transit, and the precautions necessary to determine whether the material when offered is in proper condition to transport.

Such regulations, as well as all changes or modifications thereof, shall take effect ninety days after their formulation and publication by said Commission and shall be in effect until reversed, set aside, or modified.

Sec. 234. It shall be unlawful to transport, carry, or convey, liquid nitroglycerin, fulminate in bulk in dry condition, or other like explosives, between a place in a foreign country and a place within or subject to the jurisdiction of the United States, or between a place in one State, Territory, or District of the United States, or a place noncontiguous to but subject to the jurisdiction thereof, and a place in any other State, Territory, or District of the United States, or place noncontiguous to but subject to the jurisdiction thereof, of any vessel or vehicle of any description operated by a common carrier in the transportation of passengers or articles of commerce by land or water.

Sec. 235. Every package containing explosives or other dangerous articles when presented to a common carrier for shipment shall have plainly marked on the outside thereof the contents thereof; and it shall be unlawful for any person to deliver, or cause to be delivered, to any common carrier engaged in interstate or foreign commerce by land or water, for interstate or foreign transportation, or to carry upon any vessel or vehicle engaged in interstate or foreign transportation, any explosive, or other dangerous article, under any false or deceptive marking, description, invoice, shipping order, or other declaration or without informing the agent of such carrier of the true character thereof, at or before the time such delivery or carriage is made. Whoever shall knowingly violate, or cause to be violated, any provision of this section, or of the three sections last preceding, or any regulation made by the Interstate Commerce Commission in pursuance

thereof, shall be fined not more than two thousand dollars, or imprisoned for more than eighteen months, or both.

Sec. 236. When the death or bodily injury of any person is caused by the explosion of any article named in the four sections last preceding, while the same is being placed upon any vessel or vehicle to be transported in violation thereof, or while the same is being so transported, or while the same is being removed from such vessel or vehicle, the person knowingly placing, or aiding or permitting the placing, of such articles upon any such vessel or vehicle, to be so transported, shall be imprisoned not more than ten years.

Before offering for shipment commodities which, in the opinion of the shipper might come under the head of explosives or dangerous articles it is advisable to consult the rules prescribed by the Interstate Commerce Commission governing the transportation of explosives or dangerous articles.

These rules are published in circular form by the United States Government and copy can be obtained by writing the Superintendent of Documents, at Washington, D. C. These rules are also, at present, published in the Western Classification and also in a circular published by the Central Freight Association.

The Official and Western Classifications contain regulations for the transportation of dangerous articles other than explosives by freight, while the Southern Classification refers to the rules issued by the Interstate Commerce Commission.

CHAPTER XII.

EXPORTING AND IMPORTING.

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§ 1. Exporting.

The handling of ocean traffic has a great many difficulties which are not encountered in all rail transportation, or rail and lake business, and business under the jurisdiction of the Interstate Commerce Commission, where rates and charges are fixed and tariffs published, naming definite rates. The ocean carriers not being under the jurisdiction of any regulative body, so far as rates are concerned, are enabled to charge any rates they may deem fit and change the rates as changing conditions of commerce seem to dictate to them. It is therefore difficult for a shipper to know if he is enjoying the lowest rate which might properly be assessed on his shipment, or if he is enjoying as low a rate as his competitors on the same class of goods. Steamship rates fluctuate in accordance with the amount of tonnage, which at a particular time may be offered. The only way to be assured of paying a given rate over a specified period of time is to contract with the steamship company for transportation service over such period. On a rising market the steamship companies will not usually make such contracts unless at a higher rate than that prevailing at the time the contract is made. Steamship rates are usually made on a basis of 2,240 pounds per 40 cubic feet of space occupied by the material.

Terms of the export and ocean bill of lading covering the carriage of export business are dissimilar to the ordinary railroad bill of lading and will be of interest to the reader if he is not already familiar with the details of these important documents.

It will be seen that there is a great difference between the contract of carriage on export business and the contract of the bill of lading used when shipping by rail. The responsibility of an ocean carrier is very greatly limited, as will be seen by a careful study of the bill of lading.

To protect himself against loss through fire, destruction of the vessel or other causes, the shipper should avail himself of marine insurance upon his shipments. There are various kinds of policies covering this risk. The nature of the material to be shipped and other circumstances would govern as to the kind of insurance policy to be written upon a consignment. The shipper therefore should consult with a reliable insurance broker that he may be properly informed as to just how completely his risk is insured. To illustrate:

Some policies only cover during transportation upon vessel and would not protect after the shipment was unloaded upon the steamship dock. There are numerous other variations which must be considered.

The reader may be interested to know that the largest exporter in the United States and probably in the world is the United States Steel Products Export Company, which employs an office staff of fifty-two persons in its traffic department. This concern exported in the year 1913, 2,500,000 tons of steel, upon which it paid ocean freight charges of over $7,000,000.00. The company operates seven lines of steamers beside chartering a large number of vessels for intermediate service. One of its

basis the rate of freight is adjusted.

4. That the carrier shall not be liable for articles specified in Section 4281 of the Revised Statutes of the United States, unless written notice of the true character and value thereof is given at the time of lading and entered in the bill of lading.

5. That shippers shall be liable for any loss or damage to steamer or cargo caused by inflammable, explosive or dangerous goods, shipped without full disclosure of their nature, whether such shipper be principal or agent; and such goods may be thrown overboard or destroyed at any time without compensation.

6. That the carrier shall have a lien on the goods for all freights, primages and charges, and also for all fines or damages which the steamer or cargo may incur or suffer by reason of the illegal, incorrect or insufficient marking, numbering, or addressing of packages or description of their contents.

7. That in case the steamer shall be prevented from reaching her destination by quarantine, the carrier may discharge the goods into any depot or lazaretto, and such discharge shall be deemed a final delivery under this contract, and all the expenses thereby incurred on the goods shall be a lien thereon.

8. That the steamer may commence discharging immediately on arrival and discharge continuously, any custom of the port to the contrary notwithstanding, the Collector of the Port being hereby authorized to grant a general order for discharge immediately on arrival, and if the goods be not taken from the steamer by the consignee directly they come to hand in discharging the steamer, the master or steamer's agent to be at liberty to enter and land the goods, or put them into craft or store at the owner's risk and expense, when the goods shall be deemed delivered and steamer's responsibility ended, but the steamer and carrier to have a lien on such goods until the payment of all costs and charges so incurred.

9. That if on a sale of the goods at destination for freight and charges, the proceeds fail to cover said freight and charges, the carrier shall be entitled to recover the difference from the shipper.

10. That full freight is payable on damaged or unsound goods; but no freight is due on any increase in bulk or weight caused by the absorption of water during the voyage.

11. That in the event of claims for short delivery when the steamer reaches her destination, the price shall be the market price at the port of destination on the day of the steamer's entry at the Custom House, less all charges saved, steamer being only responsible for such part of the goods as have been actually delivered to the steamer at the port (A) first above mentioned, and steamer not liable for any loss or damage that may have occurred before such delivery, while agreeing to promptly present to inland carriers for account of owners of goods any claims for shortage or loss or damage that may have occurred before delivery of goods at the port (A) first above mentioned.

12. That merchandise on wharf awaiting shipment or delivery be at shipper's risk of loss or damage not happening through the fault or negligence of the owner, master, agent or manager of the steamer, any custom of the port to the contrary notwithstanding.

13. That this bill of lading, duly endorsed, be given up to the steamer's consignee in exchange for delivery order.

14. That freight prepaid will not be returned, goods lost or not lost.

15. That parcels for different consignees collected or made up in single packages addressed to one consignee, pay full freight on each parcel.

16. That freight payable on weight is to be paid on gross weight landed from ocean steamer, unless otherwise agreed to or herein otherwise provided, or unless the carrier elects to take the freight on the bill of lading weight, but inland freight and charges paid on wheat, peas, maize, or other grain, or seed, or other bulk articles, from point of shipment to seaboard, shall be paid by consignee at destination on the weight delivered on board ocean steamer.

17. It is stipulated that in case the whole or any part of the articles specified herein be prevented by any cause from going in the first steamer leaving after the arrival of such articles at said port, the carrier is only bound to forward them by succeeding steamers employed in this steamship line, or if deemed necessary by said carrier it may forward them in other steamers.

18. That the property covered by this bill of lading is subject to all conditions expressed in the regular forms of bills of lading in use by the steamship company at time of shipment, and to all local rules and regulations at port of destination, not expressly provided for by the clauses herein.

19. That if the goods are destined beyond the port (B) second above mentioned, the transhipment to connecting carrier shall be at the risk of the owner of the goods but at steamer's expense, and that all liability of the steamship company hereunder terminates on due delivery to connecting carrier.

III.—With respect to the service after delivery at the port (B) second above mentioned, and until delivery at ultimate destination if destined that port, it is agreed that:—

1. In case [illegible] service to final port of delivery should [illegible] carriers completing the transit; the duty of notification [illegible] that [illegible] is opened again.

Taking effect April 1, 1901.

+Form X 496 A—2-11—10M

Taking effect April 1, 1901.

+Form X 496 A—2-11—10M

ERIE RAILROAD COMPANY

IN CONNECTION WITH OTHER CARRIERS ON THE ROUTE.

FOREIGN FREIGHT AGENTS.

T. J. Skidmore, Room 217, Produce Exchange, New York.
W. T. LaMoure (Via Binghamton), Chamber of Commerce, Boston, Mass. R. L. Russell, Philadelphia & Reading R. R., Philadelphia, Pa.
EUROPEAN FREIGHT AGENTS—WELLS FARGO & CO. EXPRESS.

Export Bill of Lading No. ________ **Lot No.** ________ **Contract Numbers** ________

Dated at ________ **this** ________ **day of** ________ **191** __

Received at ________ **from** ________

the following property in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, numbered, consigned and destined as indicated below.

Consignee and Destination ________

Party to be Notified ________

MARKS AND NUMBERS	*ARTICLES*
CAR NUMBERS	
	..................WEIGHT..................POUNDS. (Subject to correction). (*U. S. Law requires Agent issuing Bill of Lading to write either "shipper's" or "carrier's" before "weight.")

To be carried to the Port (A) of..........................and thence by.......................... ....to the Port (B) .... (or so near thereto as steamer may safely get, with liberty to call at any port or ports in or out of the customary route), and to be there delivered in like good order and condition as above consigned, or to consignee's assigns, or to another carrier on the route to destination if consigned beyond said port (B), upon payment immediately on discharge of the property, of the freight thereon at the rate from..........................to..........................of..........................cents,

....

United States gold currency, per one hundred pounds gross weight, and advance charges..........................($..............), with all other charges and average, without any allowance of credit or discount; settlement to be made on the basis of 4 shillings 2 pence, 4.25 marks, 5.25 francs, 2.50 Dutch guilders, 3.80 kroner to the dollar, United States gold currency; if in other currency than herein provided for, settlement to be made at the rate of $4.80 to the pound sterling, at the current rate of exchange officially quoted on the day the ocean steamer enters the Custom House at its port of discharge, for which banker's short-sight bills on London can be bought; when ocean freight is prepaid, $4.86 United States gold is equivalent to one pound sterling.

In consideration of the rate of freight herein named, it is hereby stipulated that the service to be performed hereunder shall be subject to the conditions, whether printed or written, herein contained, and said conditions are hereby agreed to by the shipper and by him accepted for himself and his assigns as just and reasonable.

CONDITIONS.

Any alteration, addition, or erasure in this Bill of Lading which shall be made without the special notation hereon of the agent of the carrier issuing this Bill of Lading shall be void.

ATTENTION OF SHIPPERS IS CALLED TO THE ACT OF CONGRESS OF 1851, which provides that any person or persons shipping Oil of Vitriol, Unslacked Lime, Inflammable Matches or Gunpowder, in a ship or vessel taking cargo for divers persons on freight, without delivering AT THE TIME OF SHIPMENT a note in writing, expressing the nature and character of such merchandise to the master, mate or officer or person in charge of the loading of the ship or vessel, shall forfeit to the UNITED STATES ONE THOUSAND DOLLARS.

I.—With respect to the service until delivery at the port (A) first above mentioned it is agreed that:—

1. No carrier or party in possession of all or any of the property herein described, shall be liable for any loss thereof or damage thereto, by causes beyond its control; or by floods or by fire; or by quarantine; or by riots, strikes or stoppage of labor; or by leakage, breakage, chafing, loss in weight, changes in weather, heat, frost, wet or decay; or from any cause if it be necessary or is usual to carry such property upon open cars.

2. No carrier is bound to carry said property by any particular train or vessel, or in time for any particular market, or otherwise than with as reasonable despatch as its general business will permit. Every carrier shall have the right, in case of necessity, to forward said property by any railroad or route between the point of shipment and the point to which the rate is given.

3. No carrier shall be liable for loss or damage not occurring on its own road or its portion of the through route, nor after said property is ready for delivery to the next carrier or to consignee. The amount of any loss or damage for which any carrier becomes liable shall be computed at the value of the property at the place and time of shipment under this bill of lading, unless a lower value has been agreed upon or is determined by the classification upon which the rate is based, in either of which events such lower value shall be the maximum price to govern such computation. Claims for loss or damage must be made in writing to the agent at point of delivery promptly after arrival of the property, and if delayed for more than thirty days after the delivery of the property, or after due time for the delivery thereof, no carrier hereunder shall be liable in any event.

4. All property shall be subject to necessary cooperage and bailing at owner's cost. Each carrier over whose route Cotton is to be carried hereunder, shall have the privilege, at its own cost, of compressing the same for greater convenience in handling and forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. No carrier shall be liable for differences in weights or for shrinkage of any grain or seed carried in bulk.

5. Property not removed by the person or party entitled to receive it within twenty-four hours after its arrival at destination, may be kept in the car, depot or place of delivery of the carrier, at the sole risk of the owner of said property, and there held subject to lien for all freight and other charges. Property taken from a station at which there is no regularly appointed agent, shall be entirely at risk of owner until loaded into cars; and when received from private or other sidings, shall be at owner's risk until the cars are attached to trains.

6. No carrier hereunder will carry, or be liable in any way for any documents, specie or for any article of extraordinary value not specifically rated in the published classifications, unless a special agreement to do so, and a stipulated value of the articles, are endorsed hereon.

7. Every party, whether principal or agent, shipping inflammable, explosive or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for all loss or damage caused thereby, and such goods may be warehoused at owner's risk and expense or destroyed without compensation.

8. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped, and at the rates and under the rules provided for by published classifications.

9. If all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to the further conditions, that no carrier or party shall be liable for any loss or damage resulting from the perils of the lakes, sea or other waters; or from explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery or appurtenances; or from collision; stranding, or other accidents of navigation; or from the prolongation of the voyage. And any vessel carrying any or all of the property herein described shall have liberty to call at intermediate ports; to tow and be towed, and to assist vessels in distress, and to deviate for the purpose of saving life or property.

(See other side.)

Attention of Shippers is called to Sec. 235 of the Criminal Code of the Un

Every package containing explosives or other dangerous articles, wh *shall have plainly marked on the outside thereof the contents thereof;* an or cause to be delivered to any common carrier engaged in interstate or state or foreign transportation, or to carry upon any vessel or vehicle any explosive or other dangerous article under any false or deceptive n other declaration, or without informing the agent of such carrier of the t delivery for carriage is made. Whoever shall knowingly violate or caus .....shall be fined not more than $2,000, or imprisoned not more than

.....Ft.....in.....per 40c. ft. £.....

10. No carrier shall be liable for delay, nor in any other respect than as warehousemen, while the said property awaits further conveyance, and in case the whole or any part of the property specified herein be prevented by any cause from going from said port in the first steamer, of the ocean line above stated, leaving after the arrival of such property at said port, the carrier hereunder then in possession is at liberty to forward said property by succeeding steamer of said line, or, if deemed necessary, by any other steamer.

11. This contract is executed and accomplished, and all liability hereunder terminates on the delivery of the said property to the steamer, her master, agent or servants or to the steamship company, or on the steamer pier at the said port, and the inland freight charges shall be a first lien, due and payable by the steamship company.

II.—With respect to the service after delivery at the port (A) first above mentioned, and until delivery at the port (B) second above mentioned, it is agreed that:—

1. The steamer shall have liberty to sail with or without pilots; that the carrier shall have liberty to convey goods in craft and for lighters to and from the steamer at the risk of the owners of the goods; and, in case the steamer shall put into a port of refuge, or be prevented from any cause from proceeding in the ordinary course of her voyage, to tranship the goods to their destination by any other steamer; that the carrier shall not be liable for loss or damage occasioned by fire from any cause or wheresoever occurring; by barratry of the master or crew; by enemies, pirates or robbers; by arrest or restraint of princes, rulers or people, riots, strikes, or stoppage of labor; by explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery or appurtenances, or unseaworthiness of the steamer, whether existing at time of shipment or at the beginning of the voyage, provided the owners have exercised due diligence to make the steamer seaworthy; by heating, frost, decay, putrefaction, rust, sweat, change of character, drainage, leakage, breakage, vermin, or by explosion of any of the goods whether shipped with or without disclosure of their nature, or any loss or damage arising from the nature of the goods or the insufficiency of packages; nor for inland damage; nor for the obliteration, errors, insufficiency or absence of marks, numbers, address or description; nor for risk of craft, hulk, or transhipment; nor for any loss or damage caused by the prolongation of the voyage, and, that the carrier shall not be concluded as to correctness of statements herein of quality, quantity, gauge, contents, weight and value.

General average payable according to York-Antwerp Rules. If the owner of the steamer shall have exercised due diligence to make said steamer in all respects seaworthy and properly manned, equipped and supplied, it is hereby agreed that in case of danger, damage or disaster resulting from fault or negligence of the pilot, master or crew in the navigation or management of the steamer, or from latent or other defects, or unseaworthiness of the steamer, whether existing at time of shipment, or at the beginning of the voyage, but not discoverable by due diligence, the consignees or owners of the cargo shall not be exempted from liability for contribution in General Average, or for any special charges incurred, but, with shipowner, shall contribute in General Average, and shall pay such special charges, as if such danger, damage or disaster had not resulted from such fault, negligence, latent, or other defects or unseaworthiness.

2. That this shipment until delivery at the port (B) second above mentioned is subject to all the terms and provisions of, and all the exemptions from liability contained in the Act of Congress of the United States, approved on the 13th day of February, 1893, and entitled "An Act relating to the navigation of vessels, etc."

3. That the value of each package receipted for as above does not exceed the sum of one hundred dollars unless otherwise stated herein, on which basis the rate of freight is adjusted.

4. That the carrier shall not be liable for articles specified in Section 4281 of the Revised Statutes of the United States, unless written notice of the true character and value thereof is given at the time of lading and entered in the bill of lading.

5. That shippers shall be liable for any loss or damage to steamer or cargo caused by inflammable, explosive or dangerous goods, shipped without full disclosure of their nature, whether such shipper be principal or agent; and such goods may be thrown overboard or destroyed at any time without compensation.

6. That the carrier shall have a lien on the goods for all freights, primages and charges, and also for all fines or damages which the steamer or cargo may incur or suffer by reason of the illegal, incorrect or insufficient marking, numbering, or addressing of packages or description of their contents.

7. That in case the steamer shall be prevented from reaching her destination by quarantine, the carrier may discharge the goods into any depot or lazaretto, and such discharge shall be deemed a final delivery under this contract, and all the expenses thereby incurred on the goods shall be a lien thereon.

8. That the steamer may commence discharging immediately on arrival and discharge continuously, any custom of the port to the contrary notwithstanding, the Collector of the Port being hereby authorized to grant a general order for discharge immediately on arrival, and if the goods be not taken from the steamer by the consignee directly they come to hand in discharging the steamer, the master or steamer's agent to be at liberty to enter and land the goods, or put them into craft or store at the owner's risk and expense, when the goods shall be deemed delivered and steamer's responsibility ended, but the steamer and carrier to have a lien on such goods until the payment of all costs and charges so incurred.

9. That if on a sale of the goods at destination for freight and charges, the proceeds fail to cover said freight and charges, the carrier shall be entitled to recover the difference from the shipper.

10. That full freight is payable on damaged or unsound goods; but no freight is due on any increase in bulk or weight caused by the absorption of water during the voyage.

11. That in the event of claims for short delivery when the steamer reaches her destination, the price shall be the market price at the port of destination on the day of the steamer's entry at the Custom House, less all charges saved, steamer being only responsible for such part of the goods as have been actually delivered to the steamer at the port (A) first above mentioned, and steamer not liable for any loss or damage that may have occurred before such delivery, while agreeing to promptly present to inland carriers for account of owners of goods any claims for shortage or loss or damage that may have occurred before delivery of goods at the port (A) first above mentioned.

12. That merchandise on wharf awaiting shipment or delivery be at shipper's risk of loss or damage not happening through the fault or negligence of the owner, master, agent or manager of the steamer, any custom of the port to the contrary notwithstanding.

13. That this bill of lading, duly endorsed, be given up to the steamer's consignee in exchange for delivery order.

14. That freight prepaid will not be returned, goods lost or not lost.

15. That parcels for different consignees collected or made up in single packages addressed to one consignee, pay full freight on each parcel.

16. That freight payable on weight is to be paid on gross weight landed from ocean steamer, unless otherwise agreed to or herein otherwise provided, or unless the carrier elects to take the freight on the bill of lading weight, but inland freight and charges paid on wheat, peas, maize, or other grain, or seed, or other bulk articles, from point of shipment to seaboard, shall be paid by consignee at destination on the weight delivered on board ocean steamer.

17. It is stipulated that in case the whole or any part of the articles specified herein be prevented by any cause from going in the first steamer leaving after the arrival of such articles at said port, the carrier is only bound to forward them by succeeding steamers employed in this steamship line, or if deemed necessary by said carrier it may forward them in other steamers.

18. That the property covered by this bill of lading is subject to all conditions expressed in the regular forms of bills of lading in use by the steamship company at time of shipment, and to all local rules and regulations at port of destination, not expressly provided for by the clauses herein.

19. That if the goods are destined beyond the port (B) second above mentioned, the transhipment to connecting carrier shall be at the risk of the owner of the goods but at steamer's expense, and that all liability of the steamship company hereunder terminates on due delivery to connecting carrier.

III.—With respect to the service after delivery at the port (B) second above mentioned, and until delivery at ultimate destination if destined beyond that port, it is agreed that:—

1. In case the regular steamship service to final port of delivery should for any reason be suspended or interrupted, the carrier, at the option of the owner or consignee of the goods, or the holder of the bill of lading, may forward the goods to the nearest available port, this to be considered a final delivery; or to store them at the port (B) second above mentioned at the risk and expense of the goods until regular service to final port of destination is opened again.

2. That the property shall be subject exclusively to all the conditions of the carrier or carriers completing the transit; the duty of notification above provided for shall fall exclusively within the obligation of the carrier completing the transit, and no prior carrier shall be responsible for the fulfillment of that obligation.

AND FINALLY, in accepting this bill of lading, the shipper, owner and consignee of the goods, and the holder of the bill of lading, agree to be bound by all of its stipulations, exceptions and conditions, whether written or printed, as fully as if they were all signed by such shipper, owner, consignee or holder.

IN WITNESS WHEREOF, the Agent signing on behalf of the said ERIE RAILROAD COMPANY, and of the said Ocean Steamship Company, or Ocean Steamer and her owner, severally and not jointly, hath affirmed to.....Bills of Lading, all of this tenor and date, one of which Bills being accomplished, the other to stand void.

G. F. A.

....., *Agent.*
On behalf of carriers severally, but not jointly.

WHITE STAR LINE

NEW YORK AND LIVERPOOL

Received, in apparent good order and condition, by the *OCEANIC STEAM NAVIGATION CO. (Limited)* from.....

.....to be transported by the Steamer.....now lying in the port of *NEW YORK*, and bound for *LIVERPOOL* with liberty to call at any port or ports in or out of the customary route, or failing shipment by said steamer in and upon a following steamer.

being marked and numbered as per margin, shippers weight (quality, quantity, gauge, contents, weight and value unknown), and to be delivered in like good order and condition at the Port of *LIVERPOOL* (or so near thereto as she may safely get), unto.....

or to his or their assigns, he or they paying freight, primage and charges immediately on discharge of the goods, without any allowance of credit or discount, at the rate of

.....Shillings.....pence Sterling with 5 per cent. primage per 40 cubic feet.

.....Shillings.....pence Sterling with 5 per cent. primage per barrel.

.....pence Sterling with 5 per cent. primage per bushel of lbs. gross weight delivered.

..... per .....

.....Shillings.....pence Sterling with 5 per cent. primage per ton of 2240 lbs. gross weight delivered.

IT IS MUTUALLY AGREED that the steamer shall have liberty to sail with or without pilots; to tow and assist vessels in distress; to deviate for the purpose of saving life or property; that the carrier shall have liberty to convey goods in craft and or lighters to and from the steamer at the risk of the owners of the goods; and, in case the steamer shall put into a port of refuge, or be prevented from any cause from proceeding in the ordinary course of her voyage, to tranship the goods to their destination by any other steamer; that the carrier shall not be liable for loss or damage occasioned by fire from any cause or wheresoever occurring; by barratry of the master or crew; by enemies, pirates or robbers; by arrest or restraint of princes, rulers or people, riots, strikes or stoppage of labor, by explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery or appurtenances, or unseaworthiness of the steamer, whether existing at time of shipment, or at the beginning of the voyage, provided the owners have exercised due diligence to make the steamer seaworthy; by heating, frost, decay, putrefaction, rust, sweat, change of character, drainage, leakage, breakage, vermin, or by explosion of any of the goods, whether shipped with or without disclosure of their nature, or any loss or damage arising from the nature of the goods or the insufficiency of packages; nor from inland damage; nor for the obliteration, errors, insufficiency or absence of marks, numbers, address or description; nor for risk of craft, hulk or transhipment; nor for any loss or damage caused by the prolongation of the voyage, and that the carrier shall not be concluded as to correctness of statements herein of quality, quantity, gauge, contents, weight and value. General average payable according to York—Antwerp Rules. If the owner of the steamer shall have exercised due diligence to make said steamer in all respects seaworthy and properly manned, equipped and supplied, it is hereby agreed that in case of danger, damage or disaster resulting from fault or negligence of the pilot, master or crew in the navigation or management of the steamer, or from latent and other defects, or unseaworthiness of the steamer, whether existing at time of shipment, or at the beginning of the voyage, but not discoverable by due diligence, the consignees or owners of the cargo shall not be exempted from liability for contribution in General Average, or for any special charges incurred, but, with the shipowner, shall contribute in General Average, and shall pay such special charges, as if such danger, damage or disaster had not resulted from such fault, negligence, latent or other defects or unseaworthiness.

IT IS FURTHER AGREED that in addition to the liability of any other person as owner of the goods, shipper shall be liable for all contributions in general average and special charges payable in respect of the goods, whether or not he be liable therefor as owner of the goods.

IT IS ALSO MUTUALLY AGREED that this shipment is subject to all the terms and provisions of, and all the exemptions from liability, contained in the Act of Congress of the United States, approved on the 13th day of February, 1893, and entitled "An Act relating to the navigation of vessels," etc.

1.—*IT IS ALSO MUTUALLY AGREED* that the value of each package receipted for as above does not exceed the sum of one hundred dollars, unless otherwise stated herein, on which basis the rate of freight is adjusted.

2.—*ALSO*, that the carrier shall not be liable for articles specified in Section 4281 of the revised Statutes of the United States, unless written notice of the true character and value thereof is given at the time of lading and entered in the bill of lading.

3.—*ALSO*, that shippers shall be liable for any loss or damage to steamer or cargo, caused by inflammable, explosive or dangerous goods, shipped without full disclosure of their nature, whether such shipper be principal or agent; and such goods may be thrown overboard or destroyed at any time without compensation.

4.—*ALSO*, that the carrier shall have a lien on the goods for all freights, primages and charges, and also for all fines or damages which the steamer or cargo may incur or suffer by reason of the illegal, incorrect or insufficient marking, numbering or addressing of packages, or description of their contents.

5.—*ALSO*, that in case the steamer shall be prevented from reaching her destination by Quarantine, the carrier may discharge the goods into any depot or lazaretto, and such discharge shall be deemed a final delivery under this contract, and all the expenses thereby incurred on the goods shall be a lien thereon.

6.—*ALSO*, that the steamer may commence discharging immediately on arrival and discharge continuously, any custom of the port to the contrary notwithstanding; the Collector of the Port being hereby authorized to grant a general order for discharge immediately on arrival, and if the goods be not taken from the steamer by the consignee directly they come to hand in discharging the steamer, the master or steamer's agent to be at liberty to enter and land the goods, or put them into craft or store at the owner's risk and expense, when the goods shall be deemed delivered and steamer's responsibility ended, but the steamer and carrier to have a lien on such goods until the payment of all costs and charges so incurred.

7.—*ALSO*, that if on a sale of the goods at destination for freight and charges, the proceeds fail to cover said freight and charges, the carrier shall be entitled to recover the difference from the shipper.

8.—*ALSO*, that full freight is payable on damaged or unsound goods; but no freight is due on any increase in bulk or weight caused by the absorption of water during the voyage.

9.—*ALSO*, that in the event of claims for short delivery when the steamer reaches her destination, the price shall be the market price at the port of destination on the day of the steamer's entry at the Custom House, less all charges saved.

10.—*ALSO*, that merchandise on wharf awaiting shipment or delivery be at shipper's risk of loss or damage not happening through the fault or negligence of the owner, master, agent or manager of the steamer, any custom of the port to the contrary notwithstanding.

11.—*ALSO*, that this bill of lading, duly endorsed, be given up to the steamer's consignee in exchange for delivery order.

12.—*ALSO*, that freight prepaid will not be returned, goods lost or not lost.

13.—*ALSO*, that the carrier shall not be liable for loss or injury, or detention to packages intended for different consignees but made up into one package, unless the contents and value of each separate package be given before shipment, and freight paid accordingly.

14.—*ALSO*, that the Master Porterage of the delivery of the Cargo be done by the Consignee of the Steamer, and the expense thereof be paid by the Receivers of Cargo.

15.—*ALSO*, that the Steamer shall have liberty to carry cattle, horses, sheep and other animals and other cargo on deck.

16.—*ALSO*, that where grain is stowed together with other grain without separation, either from the same or other shipper, each bill of lading to bear its proportion of loss and or damage, if any.

17.—*ALSO*, that U. S. Currency rates payable abroad are convertible into sterling at $4.80 Exchange.

AND FINALLY, in accepting this Bill of Lading, the Shipper, Owner and Consignee of the goods and the Holder of the Bill of Lading, agree to be bound by all of its stipulations, exceptions and conditions, whether written or printed, as fully as if they were all signed by such Shipper, Owner, Consignee or Holder.

IN WITNESS WHEREOF, the Master or Agent of the said Steamer hath affirmed to.....Bills of Lading, all of this tenor and date, one of which being accomplished, the others to stand void.

Dated in *NEW YORK* this.....day of.....19

For the WHITE STAR LINE.

C-7574

FORWARDING CLAUSE:—Applying only if the within goods are contracted for delivery beyond Liverpool.

The goods specified in this Bill of Lading are to be forwarded to.....

by.....at the expense of the Steamship Company, but subject to the conditions of carriage of the Carrier by whom the goods are forwarded. Upon delivery of the goods from the ship's tackle at Liverpool the Steamship Company ceases to act as carrier, but is constituted forwarding agent without responsibility. The through freight is charged in respect of and includes only the ordinary expenses of transit to.....Rates being owner's risk rates when same are quoted by carrier by whom the goods are forwarded. In event of the usual means of conveyance from Liverpool to the place of destination, and the delivery of the goods thereat being delayed, impeded, interrupted or suspended, the Steamship Company may in its sole discretion and option, forward the goods to the nearest available place, this to be considered a final delivery, or may store and warehouse the goods. The charges and expenses connected therewith, and any other charges incurred by the Steamship Company in addition to such ordinary expenses of carriage and transhipment shall be paid by the consignee, and the Steamship Company may exercise a lien on the goods until such expenses are paid.

MARKS.

Attention of Shippers is called to Sec. 235 of the Criminal Code of the United States (Act of Congress March 4th, 1909)

Every package containing explosives or other dangerous articles, when presented to a common carrier for shipment *shall have plainly marked on the outside thereof the contents thereof;* and it shall be unlawful for any person to deliver or cause to be delivered to any common carrier engaged in interstate or foreign commerce by land or water, for interstate or foreign transportation, or to carry upon any vessel or vehicle engaged in interstate or foreign transportation any explosive or other dangerous article under any false or deceptive marking, description, invoice, shipping order or other declaration, or without informing the agent of such carrier of the true character thereof, at or before the time such delivery for carriage is made. Whoever shall knowingly violate or cause to be violated any provision of this section .....shall be fined not more than $2,000, or imprisoned not more than eighteen months, or both.

.....*Ft*.....*in*.....*per 40c. ft.* £.....

.....@.....*per*.....£.....

.....@.....*per 2240 lbs.* £.....

5 per cent Primage.....

Charges.....

Total £.....

Ship's Mark Red.
Shipper's Marks Unknown.

regular lines is operated upon a fortnightly service from New York to Vancouver thru the Panama Canal.

The management of an export traffic department has great and varied responsibilities. The fluctuation of ocean rates and the dissimilar transportation conditions in foreign countries, as compared to those in our own, add to the difficulties. Freight rates in Europe are higher on freight imported than those applying on export traffic. Rates generally in foreign countries are much higher than in the United States. Nowhere in the world is the service equal to that of the American railroads, nor rates on so low a basis as in this country.

The causes effecting ocean freight rates are varied, the irregular flow of traffic being the principal reason for lack of stability. The irregularity of the seasons with the corresponding production of products of the earth is a paramount factor. The movement of grain at certain seasons of the year produces abnormal conditions resulting in an advance in ocean rates and delay in export traffic due to the inability of the carrying lines to afford space to other foreign traffic which has not been booked in advance of the grain movement.

On account of these irregularities it is wise for the shipper to book his freight as far in advance as possible, and at a time when the ocean freight rates are at the minimum.

At times when traffic is scarce the steamship lines often make extremely low rates on coal, preferring this traffic at an unremunerative rate rather than to meet the necessity of carrying ballast and securing no revenue whatever. Ocean freight rates applying via the standard lines are subject more or less to change caused by competition with tramp steamers, although the effect of the tramp steamer rates at the present time is not nearly so great

as a few years ago. A tramp vessel moves without the restraint of a schedule, consequently is at liberty to take any kind of cargo to any port where it may seem advantageous from a point of view of earnings of such initial cargo or with a view of obtaining at destination a more profitable charter for some other port. Rates are made according to the demands of the situation. It may be profitable as a whole transaction to accept freight in New York at a very low rate to Liverpool in order to obtain a portion of a volume of profitable cargo about to move from Liverpool to Argentine. Rates by tramp steamers are therefore sure to be unstable and uncertain.

In the handling of line traffic the situation is exactly the reverse. The regular steamship lines are operated upon a schedule between certain ports and the traffic via such line is of a higher class and requires better service.

There are four types of what might be called line service, namely, passenger and express line, freight line, railroad and steamship line, private or industrial steamship line.

There are a great many difficulties to be overcome in agreements to control rates by steamship companies. One principal difficulty is the different nationalities engaged in the business and also the fact that every port in the world is practically free and any vessel may enter. It does not cost an excessive amount to build a freight-carrying steamer and solicit trade. All of these difficulties are elements in the making of the standard rates via the standard lines, and while it has been said that a small group of men make the ocean rates, it will be observed by the initiated that ocean rates fluctuate in accordance with the demands of traffic and the scarcity or abundance of freight to be moved.

In the handling of export or import traffic the shipper

can at times save considerable money by employing transfer agents or import and export agents, as they are more frequently called. The duties of these agents are to engage space and book traffic via the most available line or most available vessel. The shipper, especially if he is not located at the port, finds it rather difficult to keep in touch with the sailings and also with the amount of traffic offered at the port or ports through which he ships. By employing an export agent he can consign his merchandise to the port from which the vessel sails and arrange with the export agent to book his freight on the first sailing or on the sailing most desirable as to freight rates if there be no immediate necessity of exportation. The export agent being in touch with all the lines and thoroughly informed obtains the best possible rate. He charges a nominal sum for securing ocean bills of lading and attending to other details in connection with the transaction.

When the shipment goes forward from originating inland point, if it be a carload, the shipper consigns the car to his forwarding agent and marks on the bill of lading: "For export, lighterage free." The railroad holds the consignment at its terminal and does not make a regular station delivery at the port. The export agent arranges the booking of the shipment with the steamship company and takes out bills of lading in accordance with instructions transmitted to him by the shipper. If the shipper so orders, he insures the consignment and also makes out the manifest in accordance with information which the shipper has furnished. If the shipper is located at a considerable distance inland and the shipment is going forward via fast vessel, the shipper often instructs the agent to forward the bills of lading direct to the foreign consignee; this in order that the bill of lading

may reach the consignee by the time the shipment arrives at the foreign port. The export agent, who usually has correspondents at the different foreign ports, may even arrange for transshipment at those foreign ports to some inland foreign destination.

In addition to the fee that is charged to the shipper, the agent obtains a small brokerage, generally one-eighth of one per cent, from the steamship company with which he books the traffic.

On less than carload shipments he can often combine considerable traffic via a given vessel and obtain a lower total rate than would apply to each individual shipment of a number of shippers. In doing this it is necessary that he consign the material to himself or to his agent abroad. He is thereby enabled to charge the shipper less than he would have to pay direct to the steamship company and at the same time make something from the total charges which he is obliged to pay on the consignment. In handling less-than-carload shipments the agent also acts as a transfer or cartage agent at the port and delivers the goods from the railroad company to the steamship pier.

§ 2. Importing.

Importations are handled in the same general way. The import and export agent is able to arrange with his foreign correspondents to handle the shipments as they are shipped from the foreign port to the domestic port, and to make arrangements to clear through the customs, etc., and reship via rail to destination in the United States. If the shipper is unfamiliar with the arrangement necessary with the export and import agent, the railroad companies can put him in touch with responsible agents at any port to which their lines extend.

Many large concerns having an extensive volume of export business maintain their own export and import agent's office, or their own export and import department at the principal port which attends to this business direct with the steamship companies. Some concerns have an export traffic manager.

In consigning shipments from an inland originating point to a foreign destination it is necessary that the export agent or the export traffic manager at the port of sailing be supplied with the original bill of lading of the railroad company, a statement as to the actual invoice value of the consignment, the gross, tare and net weight of the shipment, instructions as to the name of the consignee and final destination, whether the shipment is to go forward freight prepaid, or freight collect, whether or not the shipment is to be insured, and if so, the amount thereof. It is customary to insure a foreign shipment at the invoice price, plus 10 per cent to cover cost of freight, etc.

Upon receipt of the above described shipping documents and information, the export agent calculates the usual time required for the shipment from originating point to port of sailing and books the consignment on a steamer sailing after the probable date of arrival of shipment at that port. After the shipment is delivered to the steamship company and bills of lading and insurance certificate are received, these documents are forwarded either to the shipper or direct to the foreign consignee.

The shipper is advised of steamer and date of sailing, which information is also either cabled or immediately transmitted by mail to the consignee that he may be on the lookout for the shipment and arrange for its disposition upon arrival. On import traffic the reverse obtains and the consignee in this country forwards to his import

agent or to his customs agent at the port through which the shipment is to arrive the ocean bill of lading, consular invoice and direction as to disposition of the shipment upon its arrival at the United States port. It is necessary that these documents be in possession of the customs broker at the time the shipment arrives in the United States port that the consignment may be properly cleared through the customs and not be put into storage by the United States customs agent, pending the clearing of such shipment. Storage charges resulting from such action by the government are very high and are an unnecessary expense to the owner of the goods.

At the time of writing this chapter the European War has so changed conditions surrounding exporting and importing that rates are in a chaotic state, and in most instances are many times greater than normally. War risk insurance is an item to be considered, and the arrival of a shipment at a foreign port at a scheduled time, if at all, is very uncertain. The general method of handling shipments at this time, however, is no different than in normal times, except that additional precautions in the way of insurance, etc., must be taken.

CHAPTER XIII.

EXPRESS AND PARCEL POST.

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There has been a radical change in the last few months in the matter of transportation of small packages. The introduction on January 1, 1913, of the parcel post and the later increase in the limit of weight from the original maximum of eleven pounds, together with the new schedule of express rates as prescribed by the Interstate Commerce Commission, have created competitive conditions not heretofore prevailing.

The express companies find themselves in an active competition with the United States Government in the solicitation of business. The parcel post has an advantage in that through the rural districts where they have free delivery service the farmer is able to buy in the city his merchandise, limited only by the weight as prescribed by the parcel post regulations, and have it delivered direct to his door. Heretofore it has been necessary that in making such purchases he take delivery at the nearest express or freight office. The through or total rates of the express companies for years were maintained at a relatively high standard and were made up by adding together the local rates of each individual company; in other words, a shipment originating with the National Express to some point served only by the Wells Fargo Express was subject to the rate of the National

Express from the originating point to point of connection with the Wells Fargo, and the Wells Fargo's rate from that point to the ultimate destination. The new schedule as prescribed by the Interstate Commerce Commission provides through rates between zones. This subject is dealt with in detail in another volume. A study of this will indicate the considerable reduction as compared with previous rates in the express service.

In a great many cases the express rates are even lower than the rates of the parcel post. Express companies insure free a consignment which is not valued in excess of $50.00, whereas the United States Government, through its parcel post, charges additional sum for all insurance. The express companies are responsible for damage to consignment, whereas a total loss must result before the government will pay insurance.

The shipper of small packages should make a careful study of the current express rate and service as compared to the parcel post and its service, giving due consideration to the limitations placed upon merchandise by parcel post as compared to the regulations of the express companies in their classification and rate book.

This element of competition of the parcel post has resulted in the express companies improving their facilities and service, as well as making reductions in rates. A new service of acting as buying and selling agent has been inaugurated by some of the express companies, and they are seeking in every way to extend their business to make up for the depleted revenue caused by the new schedule of rates. It will take a considerable period of time for the companies to determine what the net result of the new schedule will be. Some are of the opinion that the parcel post is the first step toward governmental ownership and operation of railroads. At the present

time it would hardly seem that there is warrant for such conclusions. There is a radical difference between the handling of small packages and the operation of a big transportation system. Furthermore, this experiment on the part of the government will not show its results until operated for a considerable period of time and until some definite conclusions can be reached with reference to its relation to the express business and the actual need of the people. Time alone will work out problems of this character. The results, doubtless, will justify the departure which has been made in the establishment of this new service and the changes which have been made in the express service through the reduction in rate and other departures which have been prescribed by the Interstate Commerce Commission with reference to the operation of the express as an institution.

The principals of handling express shipments do not differ materially from those applying to the handling of freight. The presentation of claims for loss and damage and overcharge hold the same as the rules prescribed above for freight shipments. Systems for recording express rates would be practically the same as those for freight rates.

In February, 1914, the Interstate Commerce Commission established the Zone System of rates, and the express companies at that time claimed that the rates were inadequate for the service rendered. They pointed out that many of the express rates ordered by the Commission were lower than the rates by parcel post. This, notwithstanding the fact that the express companies are required to issue a receipt for all shipments, and insure free up to Fifty Dollars each consignment, and further are responsible for damage to goods, while in their possession. The

Parcel Post service, is of course, free from these responsibilities.

Prior to July 22nd, 1915, when the Commission decided that the revenues of the principal express companies of the United States was inadequate and modified its former orders to provide additional income, the fabric of the rates was composed of three factors—an allowance of Twenty Cents for collection and delivery of each shipment, which did not vary with weight or distance; a rail terminal allowance of Twenty-Five Cents per one hundred pounds, which varied with the weight, but not with the distance, and the rail transportation rate per one hundred pounds, which varied with the weight, the distance and the zone.

The Commission's order of July 22nd, 1915, had the effect of increasing the collection and delivery allowance Five Cents for each shipment, and to reduce the rail terminal allowance at the rate of one twentieth of one cent a pound.

As the weight increases the five cent increase is gradually reduced, so that on shipments of more than one hundred pounds the readjustment did not create any change in the charges. Substantially no commodity rates were changed but the result of the adjustment was an increase of about 3.86 per cent in the gross revenues of the express companies.

This subject is covered in great detail in another volume and a review of the advantages and disadvantages as well as the economies to be enjoyed will be helpful in determining without error the most desirable method of shipping material requiring speedy and safe transportation even at higher cost than by freight.

CHAPTER XIV.

PREPARATION OF APPLICATION FOR CHANGE IN FREIGHT CLASSIFICATION.

§ 1. Classification.
§ 2. Preparation of Application for Change.
§ 3. State Classifications.
§ 4. When Carload Ratings Should be Given.
§ 5. Relation Between Carload and Less-Than-Carload Rates.

CHAPTER XIV.

PREPARATION OF APPLICATION FOR CHANGE IN FREIGHT CLASSIFICATION.

§ 1. Classification.

The history of classification since the year 1887 is indeed interesting. Originally the individual carrier adopted classifications applying to its own line, and it has been estimated that at one time as many as 138 distinct classifications applied in Eastern Trunk Line territory. These classifications varied in the number of classes, and each classification was built up independent of all others. It usually applied to a particular road.

The Official Classification grew out of a condition whereby the trunk lines, westbound, made a classification, and the same lines eastbound made another classification; a joint merchandise freight classification was arranged, and the middle and western states classification provided. At the same time the eastbound and southbound classifications were created. These are the classifications which were later absorbed in the Official Classification.

It is authoritatively stated that in 1883 the Wabash Railroad Company had nine different classifications in effect for traffic originating on its lines.

The Interstate Commerce Act of 1887 prohibited unreasonable discrimination and started the movement for uniformity in freight classification. As a result of that

Act the Official Classification Committee was formed, and its classification was generally adopted throughout the present Official Classification territory. At that time there were 131 railway companies within the Official Classification territory, most of which had separate classifications applying to their particular line.

In 1888 the Interstate Commerce Commission reported that 87 lines used the Official Classification exclusively, while 35 used one other and nine used two other classifications.

The joint Western Classification, which was later known as the Western Classification was adopted in 1882, becoming effective a year later. By June, 1889, statistics show that 69 railroads used that classification. This is the year in which the Southern Classification was adopted, although it was then called the Southern Railway and Steamship Association.

The work of uniform classification began as early as 1887, when an attempt was made to unify the Official and Western Classifications, but this was not accomplished. The House of Representatives passed a resolution in 1888 authorizing and directing the Interstate Commerce Commission to prescribe a uniform classification by January 1, 1889, this uniform classification to apply to all the railroads in the United States. The Senate did not take immediate action and the matter was postponed from time to time until on March 3, 1891, there came the adjourning of that congress, and with its adjournment the matter was entirely dropped. The Hepburn Act of 1906 revived the subject by giving the Interstate Commerce Commission additional powers. In 1907 the matter of uniform classification was taken up and this time seriously by the different carriers in the United States. The Interstate Commerce Commission was given large supervisory powers

over the classification of freight in the Act of June 18, 1910, amending the interstate commerce law, and by the following provision inserted into sections One and Fifteen of the Act:

In section One is contained the following:

And it is hereby made the duty of all common carriers subject to the provisions of this act to establish, observe, and enforce just and reasonable classifications of property for transportation, with reference to which rates, tariffs, regulations, or practices are or may be made or prescribed; and just and reasonable regulations and practices affecting classifications, rates, or tariffs; the issuance, form and substance of ticket, receipts and bills of lading; the manner and method of presenting, marking, packing and delivering property for transportation; the facilities for transportation; the carrying of personal, sample and excess baggage; and all other matters relating to or connected with the receiving, handling, transporting, storing and delivery of property subject to the provisions of this act which may be necessary or proper to secure the safe and prompt receipt, handling, transportation and delivery of property subject to the provisions of this act upon just and reasonable terms; and every such unjust and unreasonable classification, regulation and practice with reference to commerce between the states and with foreign countries is prohibited and declared to be unlawful.

Section Fifteen further provides:

The Commission may also, after hearing, on a complaint or upon its own initiative without complaint, establish through routes and joint classifications, and may establish joint rates as the maximum to be charged, and may prescribe the division of such rates as hereinbefore provided, and the terms and conditions under which such through routes shall be operated, whenever the carriers themselves shall have refused or neglected to establish voluntarily

such through routes or joint classifications or joint rates; and this provision shall apply when one of the connecting carriers is a water line.

It will be seen that the Interstate Commerce Commission now has direct supervision over the matter of freight classification, as it has jurisdiction over rates. This should be so, since freight classification is the basis upon which freight rates are made.

For classification purposes the United States is divided into three principal territories, known as the Official, Southern and Western Classification territories.

The Official Classification territory embraces that part of the United States north of the Ohio and Potomac rivers, and east of Chicago and the Mississippi River, although on freight destined to, or from, the Mississippi River, from or to points east of the Illinois-Indiana state line, and to or from points in Wisconsin and also St. Paul and Minneapolis, from or to the territory east of the Illinois-Indiana state line, the Official Classification is applied.

The Southern Classification, generally speaking, governs the movement of freight in the territory south of the Ohio and Potomac rivers and east of the Mississippi River.

The Western Classification governs the movement of freight in the territory west of the Mississippi River and in Illinois and Wisconsin when moving to or from those states, from or to points west of the Mississippi River.

These classifications differ widely in their provision, and this has resulted in more or less confusion and consequent dissatisfaction on the part of the shipping public in connection with the movement of freight from one territory to another governed by different classifications; but since these classifications have been constructed under the in-

fluence of different commercial and transportation conditions it has been very difficult to work out a uniform code of rules, regulations and ratings. The Interstate Commerce Commission, having realized the confusion from the difference in classifications, suggested in several of its annual reports the desirability of uniform classifications. The carriers took definite action in December, 1907, by forming a committee of fifteen members, five members from each classification territory, to consider whether uniform classification could be accomplished and to suggest some method of procedure. This committee reported to the executive officers of the railroads in the three classification territories. Those officers adopted and approved the report, and in accordance therewith nine traffic officers, three from each classification territory, were selected as a working committee to be known as the Committee on Uniform Classification. This body began its labors on September 15, 1908, and has been in continuous session.

In order to unify the classifications it became necessary for the uniform committee to make an exhaustive survey of the three principal classifications, the Western, Official and Southern. In doing this it was necessary that they communicate with all the principal shippers and producers of the different commodities in all of the three different sections of the United States. In addition to writing many letters the committee personally called on the principal shippers in the different lines, and in some cases visited the factories where the different commodities were manufactured in order to get first-hand information. Trade organizations and chambers of commerce furnished valuable information to the classification committee. As the uniform committee was able to accumulate and compile data this was presented to the different classi-

fication committees at their meetings, and adopted, if the recommendations were in line with the thought of the classification committee to whom the recommendations were made.

The Uniform Committee did not go into the question of rating, but acted simply with reference to the matter of packages, mixtures of different articles, rules, regulations, minimum carload weight, etc. In endeavoring to create uniformity in the different classifications the committee met with peculiar and distinctive transportation and commercial conditions in the different sections of the country. In a general way they undertook to strike an equitable and fair general average, which while not applying to local circumstances and conditions in any locality would in the main cover the necessities of general transportation.

The theory which prompted this action was that in the event of any particular local condition warranting dissimilar rating or rulings to those provided for in the classifications, then the roads serving that particular section should make an exception in their tariffs to the classification to cover the particular instance involved. That theory would seem to be well founded, and the clearest and most concise manner of arriving at a happy medium in the matter of classification without overriding any dominating local conditions. There has been public demand for a long time for unity in the rules, regulations, etc., of the three different classifications and this work continues as the activities of the Uniform Classification Committee progress.

For years the Western Classification Committee has been composed of some sixty or seventy members who met at stated intervals, usually twice each year, for public hearing of petitions, presented by the shippers and also

to consider such matters as might have been initiated by the carriers themselves. These hearings were held at different places in the West, and were open to the public. Testimony presented by the different shippers was taken in open meeting at which other shippers, competitors, etc., might be in attendance.

Early in 1914 the Western Classification Committee changed its method of procedure and three prominent members, R. C. Fyfe, Chairman, H. C. Bush and W. E. Prendergast, were appointed to sit in continuous session at its office in the Transportation Building, Chicago, Ill., and review the applications of shippers and attend to classification work continuously. The plan of procedure is to issue a docket, weekly or monthly, which is given great publicity, and the subjects entered on that docket come up for hearing on the dates set forth in the docket. Any shipper is privileged to appear before the classification committee and present such facts as he may care to bearing on the issues. These meetings are open to the public or to any one who may be interested in the proceedings.

The Southern Classification Committee usually meets twice each year at different parts of the country to hear arguments of shippers with reference to different matters which are placed on its docket, which is published thirty or forty days in advance of the meeting. These meetings are open to the public.

Prior to October 1st, 1915, the Official Classification Committee met for public hearing four times each year at its office, No. 143 Liberty Street, New York City.

The method of procedure before the Official Classification Committee formerly differed from that of the other two bodies in that information presented by the shippers to the committee was offered in private if the shipper so

desired. Considering the advantages of this plan: The subject of a rating on veneer boxes is scheduled for consideration and the different manufacturers of this commodity may desire to appear separately before the classification committee to give such information as they may have to present for the consideration of that body. In so doing competitors would not come in direct contact with each other in submitting the information. As by law the classification committee must treat as strictly confidential such information as is given to it by shippers, if it be of a confidential nature, these semi-private hearings protect shippers against their competitors in that the information which they may have with reference to the cost of manufacture, method of packing, etc., does not become a matter of general information.

It would seem that the former plan of procedure of the Official Classification Committee was preferable to that of the other committees, since it did not become necessary in prosecuting a case before the classification committee to divulge to one's competitors confidential information respecting method of manufacture, packing, cost, prices, etc., which might be relevant to the matter of the classification and might have an important bearing on the rating to be established. There are many shippers who would not care, even though it resulted in a more equitable freight rate, to divulge such confidential information to their competitors; in fact, it might be disastrous to their interest to give their competitors the information which they would willingly divulge to the classification committee.

At the time this volume goes to press, the plan of operation of the Official Classification Committee is being changed. The future committee will be composed of a chairman and three members, one representing Trunk

Line, Central Freight Association, and New England Freight Association Territories respectively. This committee will be in constant session and the method of procedure will be similar to that of the Western Classification Committee.

In rendering an opinion in the matter of suspension of Western Classification No. 51, ICC No. 9, Commissioner Meyers said, with reference to classification:

"The making of a freight classification is a great public function.

"In the past the hearings before the classification committees have been semi-public, rather than public, and in a certain sense they have been private, although in latter years the tendency has been toward greater publicity. Public business cannot be conducted in a private way and the failure to recognize this fact fully and to proceed in accordance with it has been largely responsible for the commotion centering about Classification No. 51. We are referring to the method of classification committees generally up to the present time. These methods must be changed to meet the present situation. No great reform like classification reform, which touches every interest in the country, can ever hope to be carried into effect without causing disturbances and oppositions and some injustice. It is therefore specially important that before a classification committee publishes new rules, descriptions, packing requirements and ratings public hearings shall have been given after sufficient notice." . . .

This opinion may be taken by some to mean that the classification committees should hear all the facts that are to be presented in a public hearing, where everyone might attend; but it would seem to the writer that the very aim of the classification committee, namely, to get all the facts, would be defeated in requiring a shipper

to appear before a classification committee and divulge in the presence of competitors such confidential information as might have close bearing on the subject at issue.

Classification dockets should be given great publicity, and any proposed changes should be well advertised among all the shippers who may be interested, and every opportunity should be given those interested to appear before the classification committees and give information bearing on the different subjects. It is now customary for a representative of the Interstate Commerce Commission to sit with the classification committees, thereby giving governmental supervision to the method of procedure, etc. It is not to be believed that it is the intent of the governmental regulative powers to require a shipper when appearing in the classification committee meetings to give information which may be used against him by his competitors.

§ 2. Preparation of Application for Change in Freight Classification.

Logan G. McPherson, lecturer on "Transportation," of the Johns Hopkins University, in his book, "Railroad Freight Rates," in relation to the industry of commerce in the United States, defines freight classification as follows:

"The principle primarily underlying classification is the endeavor to apply—without listing a separate rate for each article—to each of the articles of commerce that rate which it should equitably pay and which will cause the revenue derived from the aggregate quantity of that article transported to be in proper proportion to the total revenue derived from the conveyance of all articles."

The theoretical bases of freight classification are enu-

merated by the Interstate Commerce Commission in its Eleventh Annual Report as follows:

"Whether commodities are crude, rough or finished, liquid or dry, knocked down or set-up, loose or in bulk, nested or in boxes or otherwise packed; if vegetables, whether green or dry, desiccated or evaporated, the market value and the shipper's representation as to their character, the cost of service, length and duration of the haul, the manner of shipment, the space occupied and weight, whether in carload or less carload lots, the value of annual shipments to be calculated on, the sort of car required, whether flat, gondola, box, tank or special, whether ice or heat must be furnished, the speed of the trains necessary for perishable or otherwise rush goods, the risk of handling either to the goods themselves or other property, the weight, actual and estimated, the carrier's risk or owner's release from loss or damage."

All of these factors must be considered in the determination of a proper classification for a given commodity, and the traffic manager will do well to see that all of these elements are in proper relation each to the other and in consistent relation to the other classifications when asking for a rating different from that provided for in a classification or when asking that a new rating on a new commodity be specified.

The elements taken into consideration in the making of a classification rating may be summarized as follows:

Nature of article.
Constituent element.
Uses.
Value per unit of sale.
Value per cubic foot or gallon, etc.
Weight per cubic foot.

Loading weight per car.

Styles of packing.

When a shipper is desirous of having classified a commodity not already provided for in the classification, or is desirous of having classification of a rated article changed, he is required to furnish certain complete information, a blank being provided by the different classification committees for that purpose. These blanks have space for the insertion of such information as may be required to consider intelligently the applicant's request. Copies of the blanks of the three principal classification committees, the Western, Official and Southern, are given herewith; also the blank used by the committee on Uniform Classification:

The Western Classification Committee.

1828 Transportation Building, Chicago, Illinois.

Petition for Changes in Classification.

Date.....

Article .....
Uses .....
Value .....
Weight—per cubic foot as packed for shipment (important).....
Value—per cubic foot (important).....
How packed for shipment.....
If shipped K. D. to what extent. (If possible attach picture.).....
.....
Constituent elements .....
Extent of carload movement.....
Average weight loaded in standard 36 foot car.....
Territory to which carload shipments move.....
Present rating.....
Desired rating .....
What makes lower rating or changes necessary?.....
.....
.....
Send catalogue .....

Detailed description and illustrations are necessary to enable committee to give full consideration.

Where at all practicable attach picture of article S. U. and as packed for shipment.

Petitioner's signature and address
.....
.....

Official Classification Committee.

143 Liberty Street, New York City.

Request for Classification.

Date.....191...

Article, full description of.....
.....
Uses .....
.....
Method of packing or shipping.....
.....
Dimensions and weight of article or package.....
.....
Weight per cubic foot.....
Value of article.....
Actual weight that can be loaded in standard cars 36 feet in length, 8 feet 6 inches wide and 8 feet high (inside measurement). .....
Remarks .....
.....
....
Applicant's address Applicant's signature

Notice.

Regular meetings of the Official Classification Committees are held in New York about April 1st and October 1st of each year.

Applications for changes must be filed with the chairman, not later than February 15th or August 15th, respectively.

Copy of Docket, on application to the chairman, may be obtained thirty days prior to date of meeting; price fifty cents per copy.

Office of the Southern Classification Committee.

W. R. Powe, Chairman.

914 Grant Building, Atlanta, Ga.

Application for Change in or Addition to Southern Classification.

Article, full description of.....
.....
Constituent elements .....
Uses .....
Method of packing or shipping.....
Dimensions and weight of article or package.....
.....
Weight per cubic foot, as packed for shipment.....
Value of article.....
Actual weight that can be loaded in ordinary cars 36 feet in length. .....
Present classification .....
Classification desired .....
Reasons why change or addition should be made should be fully set forth in separate communications covering each article.

Notice.

All subjects to be considered at a meeting of the committee must be regularly docketed by the chairman at least thirty days in advance of the meeting.

Those desiring to be granted a hearing by the committee must be in attendance at the first day's session, when numbers for hearings will be assigned, else the committee will not be in position to hear them.

Signature of applicant and address
Name .....
Title .....
Firm .....
Address .....
Date .....

Committee on Uniform Classification.

Room 1909 Transportation Building, 608 South Dearborn Street, Chicago.

Description of Articles.

Please answer each question, giving detailed description and furnish sample when practicable, or illustration.

Date.....191...

1. Name and full description of article.....
.....
2. Uses .....
3. Made of.....
4. How packed for shipment.....
   Less carloads .....
   Carloads .....
5. If knocked down, to what extent.....
6. Dimensions and weight of article or package.....
7. Weight per cubic foot.....
8. Value of article.....
9. Weight that can be loaded in standard car 36 feet in length, 8 feet 6 inches wide and 8 feet high (inside measurement).....
10. Is the article shipped in straight carloads?.....
11. If shipped in straight carloads, how many cars per annum?.....
12. If shipped in mixed carloads, what other articles? Mention the articles .....
13. Where produced.....

Remarks .....

Signature .....

Address .....

In the filling out of these blanks it is also wise for the shipper to outline his reason for the desired change in

classification, even though he may be intending to appear before the meeting of the classification committee and orally advance his argument. By stating his position in writing he is assured of it going on record and all the facts being considered when the subject comes to vote; otherwise some of the arguments advanced orally might be overlooked by the committee.

There are in reality in the Official Classification territory sixteen classes or ratings, as follows:

First; 110% of first (applicable to automobiles); Second; Rule 25; Third; Rule 26; Rule 28; Fourth; Fifth; Sixth; 1¼ times first; 1½ times first; double first class; 2½ times first class; 3 times first class; 4 times first class.

Rule Twenty-five provides that the rate shall be 15 per cent below the second-class rate, but not lower than the third-class rate.

Rule Twenty-six provides a rating 20 per cent below third class, but not lower than the fourth class.

Rule Twenty-eight provides fourth-class rate with the amount shown in the table of rates on page 295 unless otherwise provided in the tariffs of individual carriers.

This great flexibility in the ratings of commodities in the Official Classification territory permits of ratings on different merchandise with due respect to its relation to all other commodities. The difference between each of the sixteen actual classes as provided in the above schedule being so slight, the Committee is enabled to rate an article properly and justly, where a smaller number of classification ratings would not permit of such great flexibility, nor as adequately cover the situation.

The Western Classification provides for ten regular and six multiple classes: **1, 2, 3, 4, 5, A, B, C, D, E, D1, ½ T 1, 2½ T 1, 3 T 1, 3½ T 1, 4 T 1.**

Table of Rates to be Used in Connection with Rule 28.

When the difference between the 3d and 4th class rate is (Cents)	The amount to be added to the 4th class rate will be (Cents)	When the difference between the 3d and 4th class rate is (Cents)	The amount to be added to the 4th class rate will be (Cents)	When the difference between the 3d and 4th class rate is (Cents)	The amount to be added to the 4th class rate will be (Cents)	When the difference between the 3d and 4th class rate is (Cents)	The amount to be added to the 4th class rate will be (Cents)
1½	....	7	2½	13½	4½	20	7
1	½	7½	2½	14	5	20½	7
1½	½	8	3	14½	5	21	7½
2	½	8½	3	15	5	21½	7½
2½	1	9	3	15½	5½	22	7½
3	1	9½	3½	16	5½	22½	8
3½	1	10	3½	16½	6	23	8
4	1½	10½	3½	17	6	23½	8
4½	1½	11	4	17½	6	24	8½
5	1½	11½	4	18	6½	24½	8½
5½	2	12	4	18½	6½	25	8½
6	2	12½	4½	19	6½		
6½	2½	13	4½	19½	7		

The Southern Classification has thirteen regular and five multiple classes: **1, 2, 3, 4, 5, 6, A, B, C, D, E, F, H, ½ of F, 1½ T 1, 3 T 1, 4 T 1, D 1.**

Shipments in the Dominion of Canada, both intraprovincial and interprovincial, are governed by the Canadian Classification, with its exceptions. This has ten classes. The Mexican Classification Committee of the City of Mexico issues the Mexican freight classification, which has twelve classes, numbered one to twelve, and is printed in both English and Spanish. This latter governs shipments between the American-Mexican border and points in Mexico where the rates break on the border, and proportional rates between the United States and Mexico.

§ 3. State Classifications.

The following nine states have classifications for freight moving within those states: Florida, Georgia, Illinois, Iowa, Mississippi, Nebraska, North Carolina, Texas, Virginia. Arkansas prescribes exceptions to the Western Classification, and South Carolina publishes exceptions to the Southern. At times when state classifications cover shipments other than purely intrastate business, tariffs of the individual carriers show what classification applies, so that the shipper may inform himself as to whether to apply a local state classification or a classification of the territory in which the state may be located.

The State Classifications contain classes as follows:

Arkansas.....1 to 5 and A to E.
Florida.....1 to 6 and A to Z (except G & I).
Georgia.....1 to 6 and A to R (except G).
Illinois.....1 to 10.
Iowa.....1 to 5 and A. to E.

Mississippi.....1 to 6 and A to W (except G I J & U).
Nebraska.....1 to 5 and A to E.
North Carolina..1 to 6 and A to R (except G).
South Carolina..1 to 6 and A to U (except G).
Texas.....1 to 5 and A to E.
Virginia.....1 to 6 and A to T (except G).

Usually the state classifications, as well as the Southern and Western Classifications, have their carload ratings designated by letter, as will be noted.

§ 4. When Carload Ratings Should Be Given.

Again referring to the opinion as expressed by the Commission through Commissioner Meyer, in the suspension of Western Classification No. 51, wherein certain fundamental principles are laid down which are important to shipper and carrier alike. Some humorous comment was caused at the time by the Commissioner having selected "mousetraps" as the commodity upon which to base this important ruling. Considering the fundamental question, "when is a commodity entitled to a carload rating," the Commission reasons as follows:

"Western Classification No. 50 gave 'mousetraps' a carload rating and No. 51 denies it . . . upon what basis should such question be decided?

It is apparent that a manufacturer who can ship mousetraps by the carload has an advantage over the manufacturer who can not do so to the extent of the difference between the carload and the less than carload rate, minus the cost of loading and unloading. The mousetrap being an article of general use, but restricted volume of demand, can conceivably be manufactured in many localities to supply a local market. Shipments by the local manufacturer to near-by distributing points would naturally be in less-than-carload quantities and at less-than-carload rates. If, now, a distant manufacturer can secure a carload rating

and ship into this local territory through his jobbers, he may possibly drive the local man out of the field, and to that extent, and in this respect, the carload rating leads directly to concentration. On the other hand a denial of a carload rating on mousetraps might prevent a superior kind of a trap from being introduced in territories which are now provided with only an inferior trap, locally manufactured, and sold at a high price. Assuming that people are entitled to the best quality of mousetraps at the lowest price, the conclusion follows that the carload rating of mousetraps has a tendency to improve the quality of traps and to reduce their price to the users. This is without reference to the desirability of exterminating mice, a consideration of which in this connection would open the door to many controversial fields.

The conclusion in which argumentative considerations relating to this question reach a point of equilibrium appears to be this, that a carload rating should be established for a commodity when that commodity can be offered for shipment in carload quantities, unless public interests or other valid considerations require the contrary. We have in view primarily the territory affected by Western Classification and the practices heretofore in effect in that territory. It might be suggested that there should be a reasonable prospect of a minimum number of carloads within a certain period of time, but this leads to arbitrary limitations when such limitations are not inherently necessary. Assuming a proper relation between carload and less-than-carload rates, the establishment of carload ratings, whenever carload quantities are offered, will, we believe, meet the needs of new and growing lines of industry without discrimination.

This leads us to remark briefly with respect to another somewhat fundamental principle, namely, the relation of carload to less-than-carload rates.

§ 5. Relation Between Carload and Less-Than-Carload Rates.

It appears that an excessive difference between the carload and the less-than-carload rates on the same com-

modity results in an undue preference to the carload shipper of that commodity. Both the assignment of a commodity to its place in the classification and the tariff rate made applicable to the respective classes by individual carriers determine the relationship of carload to less-than-carload shipments expressed in dollars and cents, which, after all, is the relationship which interests the public. For purposes of illustration it may be assumed that a commodity 'X' is placed in class C when shipped in carload quantities and first class when shipped in less-than-carload quantities. This classification in itself creates a certain gap between the carload and less-than-carload quantities. If, now, between two given points the carload rate on the commodity 'X' is 10 cents and the first-class rate 65 cents, this gap is greater than it would be if the carload rate were 10 cents and the first-class less-than-carload rate 50 cents. The gap would be still greater if the commodity 'X' took class E rate in carloads and double first-class in less than carload, with perhaps a class E rate between two given points of 5 cents as compared with a double first-class rate of $1.30. The gap is very much narrowed if the commodity 'X' is placed into class B in carload quantities and first-class in less-than-carload quantities, with a rate of, say, 15 cents on class B and 35 cents for first-class less-than-carload. It must be apparent to everyone, without further discussion, that the position of carload and less-than-carload manufacturers and jobbers who compete, so far as the railway chages affect this competition, is very different in each of the assumed illustrations with respect to the commodity 'X.' "

The Commission further said in this connection that there should be established a classification of just relation between carload and less-than-carload quantities in accordance with some consistent principle throughout the classification and the rate schedules which may be constructed upon it. Its statement is as follows:

"All the different factors which enter into the establishment of a rate should be considered in the establishment

of this classification and tariff schedule relationship. One of these elements which appears to be so frequently overlooked, judging by what is reflected in the table given is the difference in the cost to the carriers of conducting the carload and the less-than-carload traffic. This cost should be ascertained as accurately as possible and due weight given to it in determining the classification and rates for less-than-carload quantities as compared with carload quantities."

Now that the Commission has fixed a principle upon which the classification committees must work in the establishment of the carload ratings and their relation to the less than carload ratings, the question of mixtures or different articles of the same class to be contained in one car and given a carload rating has been gone into exhaustively by the classification committees. Mixtures are dealt with in Rule 21 of the Western Classification Committee; Rule 10 of Official Classification Committee, and by specific designation under the various commodities where mixture is permitted by the Southern Classification.

Since the time Commissioner Meyer rendered this opinion the classification committee have arrived at certain conclusions respecting mixtures, and many commodities can now be mixed and obtain the carload rating which heretofore were denied shipping in the same car at a carload rate. The Commission expressed a view that it was a mistake to restrict or eliminate mixtures beyond a reasonable limit and that the best interest of the carriers themselves, as well as the public, was conserved by permitting mixtures as far as was consistent with reason. The Interstate Commerce Commission in the opinion before referred to says that "Classification is an art or science in itself." This certainly will not be denied by

anyone who has given careful and exhaustive study to freight classifications.

There are two fundamental principles involved in freight classification, as will be noted by a study of the subject. First, value of the service, and the second, the cost of the service. In the classification we find both elements at times predominating in the matter of the established ratings.

CHAPTER XV.

COMPLAINTS TO THE INTERSTATE COMMERCE COMMISSION.

§ 1. Forms of Complaint and Answer.
§ 2. Formal Complaints.
§ 3. Informal Complaints.
§ 4. Rules of Practice Before the Commission.

CHAPTER XV.

COMPLAINTS TO THE INTERSTATE COMMERCE COMMISSION.

Under the law common carriers are subject to governmental regulation and control. A shipper who believes that his rights are infringed through the action of such common carriers has recourse in the form of a complaint to the governmental regulative body, the Interstate Commerce Commission, where all the facts in the premises may be presented and reviewed by that body and such relief as may be warranted obtained.

That the application of the act to regulate commerce may be thoroughly understood it may be wise to quote from that law as enacted by the Senate and the House of Representatives of the United States, a portion of Section One of that Act, as follows:

That the provisions of this Act shall apply to any corporation or any person or persons engaged in the transportation of oil or other commodity, except water and except natural or artificial gas, by means of pipe lines, or partly by pipe lines and partly by railroad, or partly by pipe lines and partly by water, and to telegraph, telephone and cable companies (whether wire or wireless) engaged in sending messages from one state, territory or district of the United States to any other state, territory or district of the United States, or to any foreign country, who shall be considered and held to be common carriers within the

meaning and purpose of this Act, and to any common carrier or carriers engaged in the transportation of passengers or property wholly by railroad (or partly by railroad and partly by water when both are used under a common control, management or arrangement for a continuous carriage or shipment), from one state or territory of the United States or the District of Columbia, to any other state or territory of the United States or the District of Columbia, or from one place in a territory to another place in the same territory, or from any place in the United States to an adjacent foreign country, or from any place in the United States through a foreign country to any other place in the United States, and also to the transportation in like manner of property shipped from any place in the United States to a foreign country and carried from such place to a port of transshipment, or shipped from a foreign country to any place in the United States and carried to such place from a port of entry either in the United States or an adjacent foreign country: Provided, however, that the provisions of this Act shall not apply to the transportation of passengers or property, or to the receiving, delivering, storage, or handling of property wholly within one state and not shipped to or from a foreign country, from or to any state or territory as aforesaid, nor shall they apply to the transmission of messages by telephone, telegraph or cable wholly within one state and not transmitted to or from a foreign country from or to any state or territory as aforesaid.

The term "common carrier" as used in this Act shall include express companies and sleeping car companies. The term "railroad" as used in this Act shall include all bridges and ferries used or operated in connection with any railroad, and also all the road in use by any corporation operating a railroad, whether owned or operated under a contract, agreement, or lease, and shall also include all switches, spurs, tracks and terminal facilities of every kind used or necessary in the transportation of the persons or property designated herein, and also all freight depots, yards and grounds used or necessary in the transportation or delivery of any of said property; and the term "trans-

portation" shall include cars and other vehicles and all instrumentalities and facilities of shipment or carriage, irrespective of ownership or any contract, express or implied, for the use thereof and all services in connection with the receipt, delivery, elevation, and transfer in transit, ventilation, refrigeration or icing, storage and handling of property transported; and it shall be the duty of every carrier subject to the provisions of this Act to provide and furnish such transportation upon reasonable request therefor, and to establish through routes and just and reasonable rates applicable thereto; and to provide reasonable facilities for operating such through routes and to make reasonable rules and regulations with respect to the exchange, interchange, and return of cars used therein, and for the operation of such through routes, and providing for reasonable compensation to those entitled thereto.

All charges made for any service rendered or to be rendered in the transportation of passengers or property and for the transmission of messages by telegraph, telephone, or cable, as aforesaid, or in connection therewith, shall be just and reasonable; and every unjust and unreasonable charge for such service or any part thereof is prohibited and declared to be unlawful: PROVIDED, that messages by telegraph, telephone, or cable, subject to the provisions of this Act, may be classified into day, night, repeated, unrepeated, letter, commercial, press, government, and such other classes as are just and reasonable, and different rates may be charged for the different classes of messages; and provided further, that nothing in this Act shall be construed to prevent telephone, telegraph and cable companies from entering into contracts with common carriers for the exchange of services.

And it is hereby made the duty of all common carriers subject to the provisions of this Act to establish, observe and enforce just and reasonable classifications of property for transportation, with reference to which rates, tariffs, regulations, or practices are or may be made or prescribed, and just and reasonable regulations and practices affecting classifications, rates, or tariffs, the issuance, form and substance of tickets, receipts and bills of lading, the manner

and method of presenting, marking, packing and delivering property for transportation, the facilities for transportation, the carrying of personal, sample and excess baggage, and all other matters relating to or connected with the receiving, handling, transporting, storing and delivery of property subject to the provisions of this Act which may be necessary or proper to secure the safe and prompt receipt, handling, transportation and delivery of property subject to the provisions of this Act upon just and reasonable terms, and every such unjust and unreasonable classification, regulation and practice with reference to commerce between the states with foreign countries is prohibited and declared to be unlawful.

The Interstate Commerce Commission is charged with the duties of the enforcement of this Act. It is an independent body of men before whom the shipper and the carrier may appear in the discussion and settlement of such differences as may arise. It will be of interest to the reader to study carefully and thoroughly the duties and functions of the Interstate Commerce Commission in their entirety. Although the primary function of the Commission is limited to the administration of the Interstate Commerce Law and the exercise of such semi-judicial powers as may be incidental to the performance of that duty, it is, more properly speaking, an administrative instead of a judicial body, and one must look to the courts for the enforcement of its orders in the event of either party interested failing to do so voluntarily.

Efforts in the past have been made by some to have the Commission adopt the exact method of court procedure when hearing cases before it. The Commission, however, has been broad enough to set aside these formalities and legal technalities in order to get at the facts in their entirety in the most direct and complete form. This broad method of procedure has enabled the shipper

and carrier to present, with the greatest dispatch, all the facts which may bear on the matter in dispute and relieve the Commission from the burden of technical legal procedure with consequent delay; however, there are certain definite rules of procedure, but these are a great deal more elastic than those of court procedure.

The sessions of the Commission are general and special. General sessions are held in Washington, D. C., and continue for two weeks, following the first Monday of each month. Contested cases are argued before the session. The special sessions which are held at designated points outside of Washington are arranged and held at places which are convenient to the parties in interest.

The law prescribes that "the complainant may be any carrier . . . any person, firm, corporation or association, or any mercantile, agricultural, or manufacturing society, or any body politic, or municipal organization . . . the railroad commissioner or railroad commission of any state or territory." It is not necessary that the complainant have any personal interest in the matter and he may make complaint in the general public interest.

The defendant in the action would be any common carrier subject to the act to regulate commerce as defined in section One of the Act. There are two classes of complaints, namely, formal and informal.

§ 3. Formal Complaints.

The facts covering violation of the provisions of the law are such as found in Section Thirteen of the act, and the prosecution of the formal complaint is carried out along the lines as laid down by the rules of practice hereinafter given. To determine the basis of a formal complaint, the shipper should study the different sections of the act to determine which section or sections has been

violated by the carriers. It may be found that all or one particular section is violated. For illustration:

Section One requires that rates shall be reasonable and just and that adequate switching connection shall be provided, and if such provisions have been violated the shipper would make his complaint accordingly.

In Section Two, discrimination is forbidden as between persons and firms, and the violation of this section is just grounds for a complaint.

Section Three forbids undue and unreasonable preference, or prejudice as regards persons, localities, etc. There being so many complaints made to the Commission for violation of this section, it might be opportune to study the wording:

"That it shall be unlawful for any common carrier subject to the provisions of this Act to make or give any undue or unreasonable preference or advantage to any particular person, company, firm, corporation, or locality, or any particular description of traffic, in any respect whatsoever, or to subject any particular person, company, firm, corporation, or locality, or any particular description of traffic, to any undue or unreasonable prejudice, or disadvantage in any respect whatsoever.

"Every common carrier subject to the provisions of this Act shall, according to their respective powers, afford all reasonable, proper, and equal facilities for the interchange of traffic between their respective lines, and for the receiving, forwarding, and delivering of passengers and property to and from their several lines and those connecting therewith, and shall not discriminate in their rates and charges between such connecting lines; but this shall not be construed as requiring any such common carrier to give the use of its tracks or terminal facilities to another carrier engaged in like business."

Section Four relates to charging more for a short haul than for a long haul, but the carrier may, in specific cases, be granted relief from the operation of this section.

Section Seven relates to continuous freight or carriage of freight. Section Fifteen refers to regulations and prac-

tices of carriers with reference to through routes and joint rates, and just and reasonable charges by carriers for service performed by the owners of the property shipped. Section Twenty relates to bills of lading and receipts for shipments. Violation of that section might be just ground for complaint.

If a shipper believes that his rights have been infringed upon he should make a careful study of the act to determine just what grounds he has for complaint and what particular section of the act is involved. The shipper after determining in what respect he is injured files his complaint and petition with the Commission, who serves notice upon the carrier or defendant that it must appear before the Commission and answer the petitioner's complaint. The carrier then makes formal answer to the charges as outlined and the Commision issues such subpoenas and takes such depositions as may be necessary. The place and time of hearing is arranged, at which occurs the examination of the various witnesses, and the taking of testimony. When the case is concluded and the decision reached, the opinion is handed down and the official order is recorded by the Secretary of the Commission, who then issues such orders to the parties in interest as may be warranted by the facts as brought out in the hearing. If either of the parties declines to obey the Commission's orders the matter is then taken to the courts for enforcement thereof.

§ 4. Informal Complaints.

Informal complaints are those presented to the Commission by the shipper, usually by letter, and very frequently relate to some matter already agreed upon between the shipper and carrier, but which requires the sanction of

the Interstate Commerce Commission before the arrangement may be carried out.

Claims for reparation caused by an excessive rate being charged, or a mistake in routing or one of similar nature, are usually presented in an informal way.

A rate which may in itself be legal but obviously excessive may apply at a time when shipments moved and before a joint rate can be arranged; later the shipper and carrier reach an agreement as to what the proper rate should be, and the carrier publishes that rate. The shipper then makes claim for refund of the excessive charges paid before the rate becomes effective, and before the carrier may refund excessive charges it is necessary that the shipper (or the carrier in behalf of the shipper) present his demands in the form of a reparation claim or informal complaint to the Commission for its sanction. Very frequently complaints of this character, and reparation claims are lodged by the shipper with the carrier, who in turn present them to the Interstate Commerce Commission for approval, that they may pay the amount involved.

In presenting a claim of this nature it is necessary that full information be presented with reference to the movement of the traffic involved. Such data should include full reference to way-billing, number and initial of car, contents, where from and to, name of shipper, consignee, and destination, the amount of freight charges paid, together with tariff authority for the rate which was actually paid and reference to the tariff authority for the rate claimed. All pertinent facts should be presented in an informal complaint or in a reparation claim as completely as would be required in a formal complaint. There are numerous causes for such informal complaints, such as the failure of the carrier to apply the carload rate

which should have been applied, or for excessive switching or demurrage charges, the application of local rates instead of a joint through rate, misrouting by the carrier or the cancellation of rates which are being used and which in the shipper's opinion should remain in force. Such informal complaints are usually handled between the shipper and Interstate Commerce Commission, and between the Commission and the carrier, through correspondence, and unless no agreement can be reached, they are settled without hearing. If a hearing becomes necessary, then the complaint resolves itself into a formal one, which is handled as described above.

On account of the enormous volume of business being handled constantly by the Interstate Commerce Commission, it is important that, if possible, disputes with the carriers be settled in an informal way instead of recourse to a formal complaint with consequent delay.

§ 4. Procedure Before the Interstate Commerce Commission.

While more or less informal, the procedure of the Commission is along well defined lines, as will be seen by the following "Rules of Practice" before the Commission in cases and proceedings under the "Act to Regulate Commerce" (Amended to August 20th, 1915):

RULES OF PRACTICE BEFORE THE COMMISSION IN CASES AND PROCEEDINGS UNDER THE ACT TO REGULATE COMMERCE.

I.

Public Sessions.

Sessions of the Commission for hearing contested cases, including oral arguments, will be held as ordered by the Commission.

The office of the Commission at Washington, D. C., is open each business day from 9 a. m. to 4.30 p. m.

II.

Parties to Cases.

Any person, firm, company, corporation, or association, mercantile, agricultural, or manufacturing society, body politic or municipal organization, or any common carrier, or the railroad commissioner or commission of any State or Territory, may complain to the Commission of anything done, or omitted to be done, in violation of the provisions of the act to regulate commerce by any common carrier subject to the provisions of said act. If a complaint relates to matters in which two or more carriers, engaged in transportation by continuous carriage or shipment, are interested, the several carriers participating in such carriage or shipment are necessary parties defendant.

If a complaint relates to rates, regulations, or practices of carriers operating different lines, and the object of the proceeding is to secure correction of such rates, regulations, or practices on each of said lines, all the carriers operating such lines should be made defendants.

If a complaint relates to provisions of a classification it will ordinarily be sufficient to name as defendants the principal carriers named as parties to the classification.

If the line of a carrier is operated by a receiver or trustee, both the carrier and its receiver or trustee must be made defendants in cases involving transportation over such line.

Any person may petition in any proceeding for leave to intervene prior to or at the time of the hearing and not after. Such petition shall set forth the petitioner's interest in the proceedings, but intervention will not be permitted, except upon allegations that are reasonably pertinent to the issues of the original complaint. Leave granted on such petition will entitle such interveners to have notice of hearings, to produce and cross-examine witnesses, and to be heard in person or by counsel upon brief and at the oral argument.

III.

Complaints.

Complaints must be in typewriting on one side of the paper only, on paper not more than 8½ inches wide and not more than 12 inches long, and weighing not less than 16 pounds to the ream, folio base, 17 by 22 inches, with left-hand margin not less than 1½ inches wide, setting forth briefly the facts claimed to constitute a violation of the law. Complaints may also be printed in the size designated in Rule XIV regarding briefs. The corporate name of the carrier or carriers complained against must be stated in full without abbreviations, and the address of the complainant, with the name and address of his attorney or counsel, if any, must appear upon each copy of the complaint. The complaint need not be verified, but must be signed in ink by the complainant or his duly authorized attorney. The complainant must furnish as many complete copies of the complaint as there may be parties complained against to be served, including receiver or receivers, and three additional copies for the use of the Commission.

The Commission will serve the complaint upon each defendant by leaving a copy with its agent in the District of Columbia, or, if no such agent has been designated, by posting a copy in the office of the Secretary of the Commission.

Two or more complaints involving the same principle, subject, or state of facts may be included in one complaint. The several rates, regulations, discriminations, and shipments involved should be separately set out and in case discrimination in rates or charges is alleged, appropriate allegation should also be made to present for decision the issue as to whether or not such rates or charges are just and reasonable. One or more persons may join in one complaint against one or more carriers if the subject matter of the complaint involves substantially the same principle, subject, or state of facts.

Except under unusual circumstances and for good cause

shown, reparation will not be awarded unless specifically prayed for in the complaint or in an amendment thereto filed before the submission of the case.

After a final order has been entered upon a complaint in which reparation is not sought or, if prayed, has been denied, the Commission will not ordinarily award reparation upon a complaint subsequently filed and based upon any finding upon the first complaint.

Where reparation is demanded under a general rate adjustment challenged in the complaint, or upon many shipments under a particular rate, or where many points of origin or destination are involved, it is the practice of the Commission first to determine and make a formal announcement respecting the reasonableness of the rate or rates in issue, and whether the facts justify an award of reparation, giving to the parties thereafter an opportunity to make proof respecting the shipments upon which reparation is claimed. Freight bills and other exhibits must therefore be reserved until such further hearing and must not be filed with the complaint. In such cases the complaint, without unnecessary details, should disclose in general terms the basis and extent of the damages demanded in such manner as reasonably to advise the defendants thereof.

When a claim for reparation has been before the Commission informally and the parties have been notified by the Commission that the claim is of such a nature that it can not be determined informally, formal complaint must be filed within six months after such notification, or the parties will be deemed to have abandoned their claim: Provided, however, That this rule does not apply to formal complaints for reparation filed within two years from the date of the delivery of the shipments.

IV.

Answers.

One copy of each answer must, unless the Commission orders otherwise, be filed with the secretary of the Com-

mission at his office in Washington, D. C., within 30 days after the day of service of the complaint by defendants whose general offices are at or west of El Paso, Tex., Salt Lake City, Utah, or Spokane, Wash., and within 20 days by all other defendants, and a copy of each such answer must be at the same time served personally or by mail upon the complainant or his attorney. The Commission will, when advisable, shorten or extend the time for answer. If a defendant satisfies a complaint before answering, a written acknowledgment thereof, showing the character and extent of the satisfaction given, must be filed by the complainant. In such case a statement of the fact and manner of satisfaction without other matter may be filed as answer. If the complaint is satisfied after the filing and service of answer, a written acknowledgment thereof must be filed by the complainant and a supplemental answer setting forth the fact and manner of satisfaction must be filed by the defendant. Answers in typewriting must be on one side of the paper only, on paper not more than 8½ inches wide and not more than 12 inches long and weighing not less than 16 pounds to the ream, folio base, 17 by 22 inches, with left-hand margin not less than 1½ inches wide, or may be printed in the size designated in Rule XIV regarding briefs.

V.

Motion to Dismiss.

A defendant who deems the complaint insufficient to show a breach of legal duty may, instead of answering or formally demurring, serve on the complainant notice of hearing on the complaint; and in such case the facts stated in the complaint will be deemed admitted. A copy of the notice must at the same time be filed with the secretary of the Commission. The filing of an answer, however, will not be deemed an admission of the sufficiency of the complaint, but a motion to dismiss for insufficiency may be made at the hearing.

VI.

Service of Papers.

Copies of notices or papers, other than complaints, presented by a party must be served upon the adverse party or parties personally or by mail. When any party has appeared by attorney, service upon such attorney will be deemed proper service upon the party.

VII.

Amendments.

Amendments to any complaint or answer in any proceeding or investigation will be allowed by the Commission at its discretion.

VIII.

Continuances and Extensions of Time.

Continuances and extensions of time will be granted at the discretion of the Commission.

IX.

Stipulations.

Parties to any proceeding may, by stipulation in writing filed with the secretary, agree upon the facts, or any portion thereof, involved therein. It is desired that the facts be thus agreed upon whenever practicable.

X.

Hearings.

Upon issue being joined by service of answer or by notice of hearing on the complaint, or by failure of de-

fendant to answer, the Commission will assign a time and place for hearing. Witnesses will be examined orally before the Commission or one of its examiners, unless their testimony be taken by deposition or the facts be agreed upon as provided for in these rules.

XI.

Depositions.

The deposition of a witness for use in a case pending before the Commission may, after such case is at issue, be taken upon compliance with the following rules of procedure, which are prescribed by the Commission under authority conferred upon it by section 17 of the act, but not otherwise.

Such depositions may be taken before a special agent or examiner of the Commission, or any judge or commissioner of any court of the United States, or any clerk of a district court, or any chancellor, justice, or judge of a supreme or superior court, mayor or chief magistrate of a city, judge of a county court or court of common pleas of any of the United States, or any notary public, not being of counsel or attorney to either of the parties, nor interested in the event of the proceeding or investigation, according to such designation as the Commission may make in any order made by it in the premises, except that where such deposition is taken in a foreign country it may be taken before an officer or person designated by the Commission or agreed upon by the parties by stipulation in writing to be filed with the Commission.

Any party desiring to take the deposition of a witness in such a case shall notify the Commission to that effect, and in such notice shall state the time when, the place where, and the name and post-office address of the party before whom it is desired the deposition be taken, the name and post-office address of the witness, and the subject matter or matters concerning which the witness is expected to testify, whereupon the Commission will make and serve upon the parties or their attorneys an order wherein the Com-

mission shall name the witness whose deposition is to be taken and specify the time when, the place where, and the party before whom the witness is to testify, but such time and place, and the party before whom the deposition is to be taken, so specified in the Commission's order, may or may not be the same as those named in said notice to the Commission.

Every person whose deposition is so taken shall be cautioned and take oath (or affirm) to testify the whole truth and nothing but the truth concerning the matter about which he shall testify, and shall be carefully examined. His testimony shall be reduced to typewriting by the officer before whom the deposition is taken, or under his direction, after which the deposition shall be subscribed by the witness and certified in usual form by the officer. After the deposition has been so subscribed and certified it shall, together with two copies thereof made by such officer or under his direction, be forwarded by such officer under seal in an envelope addressed to the Commission at its office in Washington, D. C. Upon receipt of the deposition and copies the Commission will file in the record in said case such deposition and forward one copy to the complainant or his attorney, and the other copy to the defendant or its attorney, except that where there is more than one complainant or defendant the copies will be forwarded by the Commission to the parties designated by such complainants or defendants as the case may be.

Such depositions shall be typewritten on one side only of the paper, which shall be not more than 8½ inches wide and not more than 12 inches long and weighing not less than 16 pounds to the ream, folio base 17 by 22 inches, with left-hand margin not less than 1½ inches wide.

No deposition shall be taken except after 6 days' notice to the parties, and where the deposition is taken in a foreign country such notice shall be at least 15 days.

No such deposition shall be taken either before the case is at issue or, unless under special circumstance and for good cause shown, within 10 days prior to the date of the hearing thereof assigned by the Commission, and where

the deposition is taken in a foreign country it shall not be taken after 30 days prior to such date of hearing.

Witnesses whose depositions are taken pursuant to these rules and the magistrate or the officer taking the same, unless he be an examiner of the Commission, shall severally be entitled to the same fees as are paid for like service in the courts of the United States, which fees shall be paid by the party or parties at whose instance the depositions are taken.

XII.

Witnesses and Subpœnas.

Subpœnas requiring the attendance of witnesses from any place in the United States to any designated place of hearing may be issued by any member of the Commission.

Subpœnas for the production of books, papers, or documents (unless directed to issue by the Commission upon its own motion) will issue only upon application in writing. Applications to compel witnesses not parties to the proceeding to produce documentary evidence must be verified and must specify, as near as may be, the books, papers, or documents desired and the facts to be proven by them. Applications to compel a party to the proceeding to produce books, papers, or documents need only set forth in a general way the books, papers, or documents sought, with a statement that the applicant believes they will be of service in the determination of the case.

Witnesses whose testimony is taken orally are severally entitled to the same fees as are paid for like services in the courts of the United States, such fees to be paid by the party at whose instance the testimony is taken.

XIII.

Documentary Evidence.

Where relevant and material matter offered in evidence is embraced in a document containing other matter not

material or relevant and not intended to be put in evidence, such document will not be filed, but the party offering the same shall also present to opposing counsel and to the Commission in proper form for filing copies of such material and relevant matter, and that only shall be filed.

In case any portion of a tariff, report, circular, or other document on file with the Commission is offered in evidence, the party offering the same must give specific reference to the items or pages and lines thereof to be considered. In case any testimony in other proceedings than the one on hearing is introduced in evidence, a copy of such testimony must be presented as an exhibit. When exhibits of a documentary character are offered in evidence, two copies should be furnished at the hearing for the use of the Commission and a copy for each of the principal parties represented.

XIV.

Briefs.

Unless otherwise specifically ordered, briefs may be filed upon application made at hearings or upon order of the Commission. Briefs shall be printed and contain an abstract of the evidence relied upon by the parties filing the same, assembled by subjects under findings of fact which the parties think the Commission should make; and in such abstract reference shall be made to the pages of the record wherein the evidence relied upon appears. The abstract of evidence should follow the statement of the case and precede the argument. Every brief of more than 10 pages shall contain on its front fly leaves a subject index with page references, the subject index to be supplemented by a list of all cases referred to alphabetically arranged, together with references to pages where the cases are cited. Briefs must be printed in 10 or 12 point type, on good unglazed paper, 5⅞ inches wide by 9 inches long, with inside margins not less than 1 inch wide, and with double-leaded text and single-leaded citations.

At the close of the testimony in each case the presiding

commissioner or examiner will fix the time for filing and service of the respective briefs, as follows, unless good cause for variation therefrom is shown: To the complainant, 30 days from date of conclusion of the testimony; to the defendants and interveners, 15 days after the date fixed for the complainant; and to complainant for reply brief, 10 days after the date fixed for defendants or interveners. Briefs not filed and served on or before the dates fixed therefor will not be received unless a special order therefor is made by the Commission. All briefs must be filed with the secretary and be accompanied by notice, showing service upon the adverse parties, and 15 copies of each brief shall be furnished for the use of the Commission, unless otherwise ordered. Applications for extension of time in which to file briefs shall be by petition, in writing, stating the facts on which the application rests, which must be filed with the Commission at least five days before the time for filing such brief.

Oral argument will be had only as ordered by the Commission. Applications therefor must be made at the hearing or in writing within 10 days after the completion of proof.

XV.

Rehearings.

Applications for reopening a case after final submission, or for rehearing after decision, must be by petition stating specifically the grounds relied upon; such petition must be served by the party filing same upon the opposing counsel who appeared at the hearing or on brief.

If such application be to reopen the case for further evidence, the nature and purpose of such evidence must be briefly stated, and the same must not be merely cumulative. If the application be for a rehearing, the petition must specify the matters claimed to be erroneously decided, with a brief statement of the alleged errors. If any order of the Commission is sought to be reversed, changed, or modified on account of facts and circumstances arising

subsequent to the hearing, or of consequences resulting from compliance therewith, the matters relied upon by the applicant must be fully set forth. At least 10 copies of all such applications must be filed.

XVI.

Transcripts of Testimony.

One copy of the testimony will be furnished by the Commission for the use of the complainant and one copy for the use of the defendant, without charge. If two or more complainants or defendants have appeared at the hearing, such complainants or defendants must designate to whom the copy for their use shall be delivered.

In proceedings instituted by the Commission on its own motion, including proceedings involving the suspension of tariffs, no free copies of testimony will be furnished.

XVII.

Compliance with Orders.

An order having been issued, the defendant or defendants named therein must promptly notify the secretary of the Commission on or before the date upon which such order becomes effective, whether or not compliance has been made therewith. If a change in rates is required, the notification to the secretary must be given in addition to the filing of proper tariffs.

XVIII.

Applications Under Fourth Section.

Any common carrier may apply to the Commission, under the proviso clause of the fourth section, for authority to charge for the transportation of like kind of property less for a longer than for a shorter distance over the same line, in the same direction, the shorter being included with-

in the longer distance, or for authority to charge more as a through rate than the aggregate of the intermediate rates subject to the act. Such application shall be by petition, which shall specify the places and traffic involved, the rates charged on such traffic for the shorter and longer distances, the carriers other than the petitioner which may be interested in the traffic, the character of the hardship claimed to exist, and the extent of the relief sought by the petitioner. Upon the filing of such a petition, the Commission will take such action as the circumstances of the case require.

XIX.

Suspensions.

Suspensions of rates under section 15 of the act to regulate commerce will not ordinarily be made unless request in writing therefor is made at least 10 days before the time fixed in the tariff for such rates to take effect. Requests for suspension must indicate the schedule affected by its I. C. C. number and give specific reference to the parts thereof complained against, together with a statement of the grounds thereof.

XX.

Information to Parties.

The secretary of the Commission will, upon request, advise any party as to the form of complaint, answer, or other paper necessary to be filed in the case.

XXI.

Address of the Commission.

All communications to the Commission must be addressed to Washington, D. C., unless otherwise specifically directed.

FORMS.

These forms may be used in cases to which they are applicable, with such alterations as the circumstances may render necessary.

No. 1.

Complaint.

Before the Interstate Commerce Commission.

——— ———	——— Railway Company.
vs.	(Insert corporate title, without abbreviation, of carrier (or carriers) necessary defendants.
The——Railroad Company,	

The complaint of the above-named complainant respectfully shows:

I. That (complainant should here state occupation and place of business; also whether it is a corporation, firm, or partnership, and if a firm or partnership, the individual names of the parties composing the same should be given).

II. That the defendant (defendants) above named is a common carrier (are common carriers) engaged in the transportation of passengers and property, wholly by railroad (partly by railroad and partly by water), between points in the State of ——— and points in the State of ———, and as such common carrier (carriers) is (are) subject to the provisions of the act to regulate commerce approved February 4, 1887, and acts amendatory thereof or supplementary thereto.

III. That (state in this and subsequent paragraphs, to be numbered numerically, the matter or matters intended to be complained of, naming every rate, rule, regulation, or practice whose lawfulness is challenged, and also each point of origin and point of destination between which the rates complained of are applied).

(Following this a paragraph or paragraphs should be inserted alleging that by reason of the facts stated in the foregoing paragraphs complainant (complainants) has

(have) been subjected to the payment of rates of transportation which were when exacted, and still are, unjust and unreasonable in violation of section 1 of the act to regulate commerce, or unduly discriminatory in violation of sections 2, 3, or 4 thereof.)

Wherefore complainant prays that defendants may be severally required to answer the charges herein; that after due hearing and investigation an order be made commanding said defendants and each of them to cease and desist from the aforesaid violation of said act to regulate commerce, and establish and put in force and apply as maxima in future to the transportation of ——— between the shipping and destination points named in paragraph —— hereof, in lieu of the rates named in said paragraph, such other rates as the Commission may deem reasonable and just (and also pay to complainants by way of reparation for the unlawful charges hereinbefore described the sum of ———, or such other sum as, in view of the evidence to be adduced herein, the Commission may consider complainant entitled to), and that such other and further order or orders be made as the Commission may consider proper in the premises and complainant's cause may appear to require.

Dated at ——— ———, 19—.

———— ————,

[Complainant's signature.]

No. 2.

Answer.

Before the Interstate Commerce Commission.

———— ————
vs.
The ——— Railroad Company.

The above-named defendant, for answer to the complaint in this proceeding, respectfully states:

1. (Here follow the usual admissions, denials, and averments, answering the complaint paragraph by paragraph.)

Wherefore the defendant prays that the complaint in this proceeding be dismissed.

The ——— Railroad Company,
By ——— ———,
———— ————
[Title of officer.]

No. 3.

Notice by Carrier under Rule V.

Interstate Commerce Commission.

———— ————
vs.
The ——— Railroad Company.

Notice is hereby given under Rule V of the Rules of Practice in proceedings before the Commission that a hearing is desired in this proceeding upon the facts as stated in the complaint.

The ——— Railroad Company,
By ——— ———,
———— ————.
[Title of officer.]

It will be seen that although the Commission conducts its affairs in a systematic manner, there is a great deal of latitude allowed in the presentation of cases, the desire being paramount always to allow the greatest opportunity for the complainant and defendant to introduce all possible evidence bearing on the subject.

CHAPTER XVI.

CONCLUSION.

In concluding this Treatise on a subject of such vital interest to the student, the Author finds difficulty in refraining from the use of a word of caution to those who are about to enter the traffic profession.

In no field does greater opportunity lie for the man whose qualifications will enable him to succeed. The Railroad Managers welcome the Industrial Traffic Manager for the reason that the difficulties arising through misunderstandings are minimized when they are possible of adjustment with those trained in traffic work who can understand the view point of the carrier as well as that of the shipper. It should, therefore, be of first consideration to the scholar advancing to the position of Traffic Manager to so proceed in his line of activity as to create a respect and trust for himself in the minds of Railroad Agents and others that his reputation may always be of the best and his honor never questioned by those with whom his business throws him in contact. Questionable claims should in no case be presented. Requests for rate or classification reductions should only be made when a possibility or probability exists for increased traffic or retention of traffic which would otherwise be lost to the carriers as well as to the Industrial Corporation.

There can be no greater mistake made than to believe

that success in an Industrial Traffic Department is only possible at the expense of the carriers. There are countless avenues of saving in transportation charges which at the same time result in stoppage of loss to the carrier. It has been said that the manufacturers cannot be prosperous if the railroads are not enjoying good earnings. Doubtless there is much truth in this statement. It is beyond question a fact, however, that the railroads cannot be prosperous if the manufacturers and producers are not successful, for the producer and manufacturer must originate the business before the carrier can realize a profit on its transportation. Therefore, the two interests, shipper and carrier, are mutual, and that the business of both may be prosperous, it is essential to co-operate in expanding the trade of the producer on a basis not unremunerative to the carrier.

To attain maximum success in this profession, the Traffic Manager must of necessity master the principals of traffic in their entirety. He must be ambitious, conscientious, a student always, and he must adapt himself to the necessities of his position. In short he must never cease striving to increase his efficiency.

INDEX

Page

Accounts, Car, Form Used in Keeping..... 223
Account System, Cars of Private Ownership.....222–227
Application for Change in Freight Classification, Preparation of 253–270
Barrels, Iron or Steel, for Inflammable Liquids, Specifications for 85
Bill of Lading and Shipping Order 61–70
Bill of Lading, Form of, Approved by Commission..... 61
Bill of Lading, Ocean..... 238
Bill of Lading, Weights on..... 98–101
Binders Used for Filing Tariffs..... 42
Bond of Indemnity, Form of..... 130
Boxes, for Strike Anywhere Friction Matches, Specifications for 85
Boxes, for Inflammable Liquids, Specifications for..... 85
Boxes, Wire Bound, Used as Containers for Cans of Inflammable Liquids 85
Bulletin Issued Weekly by the Public Service Commission of New York 27
Bulletin, The Traffic 27
Bullinger's Guide 26
Cans for Inflammable Liquids, Specifications for..... 85
Car Accounts, Form Used in Keeping..... 223
Carboys, Glass for Corrosive and Inflammable Liquids, Specifications for 85–86
Card, Form Used in Advising Sales Department Rates Requested by Them, Also Competitors' Rates..... 53
Card, Form Used in Obtaining Rate Quotations..... 48
Card Form Used in Tracing Claims..... 153
Cards, Forms of, Used in Rate and Classification Indexing Systems 49–51
Card Index Systems of Rates and Classifications..... 48–51
Card Used in Requesting Tariffs, Form of..... 47
Carloads, Routing of 111–113

Page
Carload Rates, Relation Between Carload and Less than Carload Rates 272–275
Carloads, When Carload Rating Should be Given 271–272
Car Service Contract, Form of 243–245
Cars of Private Ownership, Account System 222–227
Cars of Private Ownership, Handling of, Official Classification Rules 220
Cars of Private Ownership, Handling of, Southern Classification Rules 221–222
Cars of Private Ownership, Handling of, Western Classification Rules 220–221
Cars, Privately Owned Railroad 218–227
Cartage and Transferring 170–171
Charts and Maps, Time 115–119
Claims, Card Form Used in Tracing 153
Claims, Form of Tracer on 155–156
Claims, Loss and Damage 141–147
Claims, Loss and Damage, Papers Necessary 141–143
Claims, Preparation and Handling of 133–157
Claims, Record of 154–157
Claims, Overcharge, Forms Used in Preparing and Presenting. 148–152
Claims, Overcharge, Method of Handling 147–152
Claims, Overcharge, Papers Necessary in Presenting 148
Claims, Overcharge, Standard Forms for Use in Presentation of 148
Claims, System of Tracing and Collecting 152–154
Classification Committees, Dealings of the Traffic Manager with 12
Classifications, State 270–271
Classification of Freight for Shipments 81–82
Comparative Rates 52
Competitive Rates 52
Complaints, Formal to Interstate Commerce Commission 283–285
Complaints, Informal to Interstate Commerce Commission ... 285–287
Complaints to the Interstate Commerce Commission 279–290
Contract, Car Service, Form of 217–219
Cook Self Indexing Tariff File 43–46
Cost Accounting Systems and Application to Traffic Department 161–164
Cost, Other Elements of 163–164
Cummin's Amendment to the Interstate Commerce Law 66–68
Dangerous Articles and Explosives, Rules Governing Transportation of 231–234

Page
Demurrage 171–186
Notification of Arrival of Cars..... 175
Placing Cars for Unloading.....175–176
Cars for Loading..... 176
Demurrage Charge 176–177
Claims 177
Causes for Claims 177–179
Bunching of Cars 178
Demand of Overcharge..... 178
Delayed or Improper Notice by Carrier.....178–179
Average Agreement 179–185
Interpretations of the National Car Demurrage Rules....186–213
Computing Time 174–175
Free Time Allowed.....172–174
National Car Demurrage Rules.....171–185
Cars Subject to Rules 172
Different Destinations and Effect upon Packing and Marking. 97–98
Documents, Relating to Interstate Commerce, Railroads, etc., Issued by the Superintendent of Documents, Washington, D. C. 28
Drums, Iron or Steel, for Inflammable Liquids..... 85
Dunnage, Allowance for, Official Classification..... 99–100
Dunnage, Allowance for, Southern Classification.....100–101
Dunnage, Allowance for, Western Classification..... 100
Duties of the Traffic Manager..... 3
Explosives and Dangerous Articles, Rules Governing Transportation of 231–234
Exporting 237–242
Exporting and Importing.....237–244
Express and Parcel Post.....247–250
Filing and Indexing Tariffs..... 40–50
Form of Application to the Official Classification Committee for Classification of Property..... 265
Form of Application to Southern Classification Committee for Change of, or Addition to Classification..... 266
Form of Application to the Uniform Classification Committee 267
Form of Application to the Western Classification Committee for Change in Classification.....264–265
Form of Bill of Lading for Straight Shipment, Approved by Interstate Commerce Commission 61
Form of Live Stock Contract 64
Form of Order Bill of Lading..... 64
Form of Shipping Order for Use with Straight Bill of Lading. 62

Page
Form for Presentation of Overcharge Claims..... 148
Form for Use in Presentation of Loss and Damage Claims.... 143
Freight Bill, Form of 71
Freight Charges in Relation to Cost of Merchandise..... 161
Freight, Preparation of, for Shipment..... 81
Freight Receipt, Paid, Form of..... 71
Guide, The Official Railway..... 26
Importing 242–244
Indexing and Filing Tariffs..... 40–50
Indemnity, Bond of, Form of..... 130
Instructions to Shipping Clerks..... 73–77
Interpretation of the National Car Demurrage Rules.....186–213
Interstate Commerce Law, Cummins' Amendment to..... 66–68
Less than Carload Freight, Distribution of.....113–115
Less than Carload Rates, Relation between Carload and Less than Carload Rates 272–275
Lighterage 169
Live Stock Contract, Form of..... 64
Loss and Damage Claims.....141–147
Loss and Damage Claims, Forms Used in Presentation of....143–147
Loss and Damage Claims, Papers Necessary.....141–143
Loss and Damage Claims, Standard Form for Use in Presentation of 141
Maps and Charts, Time.....115–119
Marking of Packages..... 93–97
Marking and Packing, Different Destinations and Effect Upon 97–98
Mileage Earnings, Cars of Private Ownership.....224–227
Merchandise, Freight Charges in Relation to Cost of..... 161
Ocean Bill of Lading..... 238
Official Railway Equipment Register..... 26
Order Bill of Lading, Form of..... 64
Order, Shipping Clerk's, Form of..... 77
Other Elements of Cost.....163–164
Overcharge Claims, Forms Used in Preparing and Presenting.148–152
Overcharge Claims, Method of Handling.....147–148
Overcharge Claims, Papers Necessary in Presenting..... 147
Packages, Kind of 82–87
Packages, Marking of..... 93–97
Packing and Marking, Different Destinations and the Effect Upon 97–98
Paid Freight Receipt 70–71
Papers and Records, Shipping..... 61
Parcel Post and Express.....247–250

Page
Preparation of Application for Change in Freight Classification.262–270
Procedure Before Interstate Commerce Commission.....287–302
Procuring Tariffs and Supplements 38–39
Publications for Use in the Traffic Department..... 26
(1) The Official Guide..... 26
(2) Bullinger's Steamship and Railway Bulletin..... 26
(3) Official Railway Equipment Register..... 26
(4) The Railway World..... 27
(5) The Traffic Bulletin and Traffic World..... 27
(6) The Weekly Bulletin of the N. Y. Public Service Commission 27
(7) Documents Issued by the Supt. of Documents, Washington, D. C. 28
Public Service Commission of New York, Weekly Bulletin of.. 27
Railway World, The 27
Rates and Tariffs 31
Rates, Comparative 52
Rates, Competitive 52
Rates, Competitor's, Form of Card Used in Advising Sales Dept. 53
Rate Making Bodies, Dealings of the Traffic Manager with..... 12
Rate Quotations, Card Form Used in Requesting..... 48
Records and Forms Used in Tracing Shipments.....126–129
Records and Papers, Shipping..... 61
Record of Claims 154–157
Records of Shipments 72
Register, Official Railway Equipment..... 26
Relation of Minimum Weights and Length of Cars to Ordering Equipment 87–88
Relation Between Carload and Less than Carload Rates.....272–275
Relations to Common Carriers..... 5
Relations to Sales and Purchasing Departments of Industrial Concerns, The Traffic Manager..... 10
Routine of Carload Freight.....111–113
Routing Shipments. Shipper's Right to Route a Shipment as Defined by Law 105–111
Rule 27 of Official Classification..... 91
Rule 28, Official Classification, Table of Rates to be Used in Connection with 269
Rules of Practice Before the Interstate Commerce Commission Under the Act to Regulate Commerce.....287–302
Parties to Cases 288
Complaints 289–290
Answers 290–291

Page
Motion to Dismiss 291
Service of Papers 292
Amendments 292
Continuances and Extension of Time 292
Stipulations 292
Hearings 292–293
Depositions 293–295
Witnesses and Subpoenas 295
Documentary Evidence 295–296
Briefs 296–297
Rehearings 297–298
Transcripts of Testimony 298
Compliance with Orders 298
Application Under Fourth Section 298–299
Suspensions 299
Information to Parties 299
Address of the Commission 299
Form of Complaint 300–301
Form of Answer 301–302
Notice by Carrier, Under Rule 5 302
Shipping Clerks, Instructions to 73–77
Shipping Clerks' Order, Form of 77
Shipments, Classification of 81–82
Shipping Order and Bill of Lading 61–70
Shipping Papers and Records 61
Shipments, Record of 72
Shipments, Routing of, Shipper's Right to Route a Shipment Defined by Law 105
Shipments, Tracing of 123–126
Specifications for Glass Carboys for Corrosive and Inflammable Liquids 85–86
Specifications for Metal Cans and Boxes for Inflammable Liquids 86
State Classifications 270–271
Switching 167–169
Systems of Filing and Indexing Tariffs 40–50
Systemization of Traffic Department 25
Tare Weight a Factor 161–163
Tariffs and Rates 31
Tariffs and Supplements, Procuring of 38–39
Tariffs, Filing and Indexing 40–50
Tariffs, Filing in Binders 42
Tariffs, Form of Card Used for Requesting 47

Page

Tariffs Not Prepared and Filed in Accordance with the Regulations of the Commission Unlawful 31
Tariffs, Rules of the Commission Governing Construction of.. 31–38
The Railway World 27
The Traffic Bulletin 27
The Traffic Department, Systemization of 25
The Traffic Manager, Dealing with Classification and Rate Making Bodies 12
The Traffic Manager, Duties of 3
The Traffic Manager, Relation to Common Carriers 5
The Traffic Manager, Relation to the Sales and Purchasing Departments of Industrial Concerns 10
The Traffic World 27
Time Charts and Maps 115–119
Tracing and Collecting Claims, System of 152–154
Tracer, Claim Form 155–156
Tracing Shipments 121–126
Tracing Shipments, Records and Forms Used in 126–129
Traffic Departments, Cost Accounting Systems and Supplication to 161–164
Transferring and Cartage 170–171
Traffic World, The 27
Weights on Bill of Lading 98–101
Weight, Tare Weight a Factor 161–163
World, The Railway 27

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